

# GARIEP LOCAL MUNICIPALITY

## Annual Report: 2010/2011



**AIM:** To present an account of council's performance for 2010/2011 to the community as internal and primary stakeholders and to the external stakeholders which include sector departments, private sector and external Auditors. The report fulfils requirements of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as well as section 129 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) read together with National Treasury Circular 11 of 2003.

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# PART 1: Introduction and Overview

## A. Foreword by the Mayor

It is my honour and privilege to present this report for 2010 /2011 financial year to our broader stakeholders. Indeed, this report is the final episode of the second democratic local government which began on March 2006. On the 18 May 2011 local government elections were held and the third democratic local government was ushered in. I have had a rare privilege of serving as a member of this council during 2000-2006 and as Mayor from 2006 -2011 and can, without fear of contradiction, say that we have come a very long way and have made significant achievements. During 2010/2011, we continued with the trajectory of deepening local democracy and building a developmental local state. This all important work of transforming local government while ensuring that basic services are delivered to our community happened under our well known key performance areas;

- Basic service delivery and infrastructure development
- Municipal financial viability and management
- Municipal transformation and development
- Local economic development
- Good governance and public participation

In the year under review, council continued to strengthen its capacity to direct and provide proper oversight on the work of the administration. While there is a room for improvement, the work of both the Internal Audit Unit and the Audit Committee encouraging and will undoubtedly help improve the outcomes of our external audit. To this effect, I have directed the administration under the leadership of the municipal manager to provide all the support to these two structures to ensure that they continue to deliver value. Without these structures, council will not be effective in its oversight role.

I continue to be very concerned with the cash flow challenges that confront the municipality. These have proven more acute in the year under review and had adverse consequences on our ability to continue delivering services in an uninterrupted manner as our Constitution enjoins us. It is clear to me that the final answer to these challenges lies in the payment of services by those who consume them and can afford. I have accordingly instructed the administration to enforce the council credit control policies without any fear or favour. To this extent, I am advised that preparations are afoot to give expression to this important task.

As a political office bearer, I would like to take this opportunity to express my sincere gratitude to all stakeholders for their unwavering support during the year under review. These include amongst others; the constituent communities, private sector, none governmental organisations, government entities and sector departments and the Office of the Auditor General. I would like to single out the Department of Local Government and Traditional Affairs (LGTA) for their unwavering support. The cooperation from my colleagues and fellow councillors has been very encouraging. The support and counsel from mayors of our sister municipality beginning with the district and including all local municipalities, has been a formidable rock. The ordinary people who always walk up to us and offer advises of all kinds are hereby acknowledged as are the women groups, and many more others for their unyielding commitment to support the municipality in the 2010/11 financial year.

I would like to urge all sector departments who are not actively participating in Gariep IDP should begin to do so in full so that people's lives can be changed from dreadful poverty levels, low educational levels, outrageous diseases, deteriorating economic powers etc.

It is with great pleasure to present to you the annual report of 2010/11 financial year.

Cllr Ncedo Ngoqo  
MAYOR

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Signed at \_\_\_\_\_ on this day of \_\_\_\_\_ January 2012

## B. The yearly program priorities' statement by the Municipal Manager

I join with his worship the mayor and the council in its entirety in presenting the annual report for 2010/2011 financial year. This is the report of council to the community about its stewardship over the implementation of the Integrated Development Plan. Invariably, most of the work of council happens or does not happen through its administrative arm. As Municipal Manager and accounting Officer, I remain accountable for the implementation of the IDP and of council decisions and to this effect can confirm that the report represents an improvement, albeit steady, from previous years. The municipality's financial administration has been stabilised. The fact that the Auditor General has, for the second time in the running, expressed a qualified on the Annual Financial Statements of the municipality bares testimony to that. These opinions, while by our own admission remain a source for concern, are a marked improvement and departure from the seven disclaimers of opinion and one adverse opinion expressed by the AG since the inception of the municipality.

Hereunder I provide a synopsis of the priorities we had set ourselves for the year under review, the achievements as well as the challenges that may have impeded the achievement of some of these objectives;

Priorities 2010/11	Budget Achievement Level	Challenges Experienced
Institutional Transformation and Organisational Development	Many critical vacancies were filled in the Budget and Treasury Office including the Senior Accountant: Supply Chain Management and Senior Accountant: Revenue.  Massive training of Councillors and Officials	Very difficult to attract appropriately qualified and experienced officials in the Budget and Treasury Office.
Basic Service Delivery	Most of the projects which were planned to be implemented, were not implemented especially capital projects. Only the Steynsburg Greenfields was done.	The cash flow challenges experienced by the municipality had adverse effect on some of the projects planned for implementation.
Local Economic Development	Salary budgeted for the newly appointed LED Officials and the newly established section  Identified LED projects  The development of Gariep Comparative and Competitive Action Plan marks a great achievement in providing a	skills training & retention of staff  Slow implementation of LED projects due to limited funding

Priorities 2010/11	Budget Achievement Level	Challenges Experienced
	<p>strategic direction for the collaborative implementation of the Local Economic development in Gariep.</p> <p>Greening and Town Beautification. Development of landscaping designs for town entrances, parks and municipal open space, preservation of heritage sites has been finalised.</p> <p>Feasibility study for Teebus resort near Steynsburg focusing development and possible transfer of ownership or long term lease with DWA facilitated.</p>	
Good Governance and Public Participation	Ward Committees were re-established consistent after the May 18 elections	The remuneration of ward committees remains a challenge given the financial challenges confronting the municipality
IDP, Spatial Planning and Land Development		Infrastructure service improvement (access roads, bridges, electricity & energy)
Legal services	The case of unfair dismissal lodged by the former CFO was finally settled in favour of the municipality at the CCMA	
Disaster Management and Fire Services	A bigger fire engine was purchased by the District Municipality for use in Gariep LM, a service level agreement is currently being concluded before official handover	The non existence of clear protocols between the municipality and the district municipality over both the use of the existing fire engine as well as staff employed by the district poses a serious challenge as to accountability
Information & Communication Technology(ITC)	An IT Technician was employed in order to start the municipalities	The municipality does not have sufficient resources to set a fully fledged IT Unit. The IT Technician is, as a consequence, overworked.

## PRIORITIES FOR 2011/2012

Key Performance Area	Priorities for 2011/2012
Institutional Transformation and Organisational Development	Alignment of the staff establishment to the IDP
	Filling of all funded vacancies
Basic Service delivery	Burgersdorp water master plan has been developed to



	deal with the challenges of water shortage in the area as well aging infrastructure.
	The master plan will also be used to lobby for funding to deal with the shortage of water in the area and dilapidated infrastructure.
	Water conservation and demand program has been initiated to address the problem of water shortages as the interim measure.
Local Economic Development	Submit applications for funding to various agencies in order to source funding for the implementation of the LED and competitive and comparative action plan.
Financial viability and Management	Implement the Revenue Enhancement Strategy developed in partnership with Kagiso Trust
	Investigate the causes of electricity losses and develop mechanisms to prevent them
	Strict implementation of the credit control policy on all consumers who can afford to pay while ensuring that all those who cannot pay are registered in the indigent register
	Finalise the long outstanding re-transfer of the electricity reticulation from ESKOM to the municipality
	Lobby the district municipality to install water meters as well as restrictors in especially townships where most consumers who can afford are not metered and therefore enjoy the basic charge
Good Governance and Public Participation	Lobby for sector department support of municipal IDP

Signed at \_\_\_\_\_ on this day of \_\_\_\_\_ January, 2012

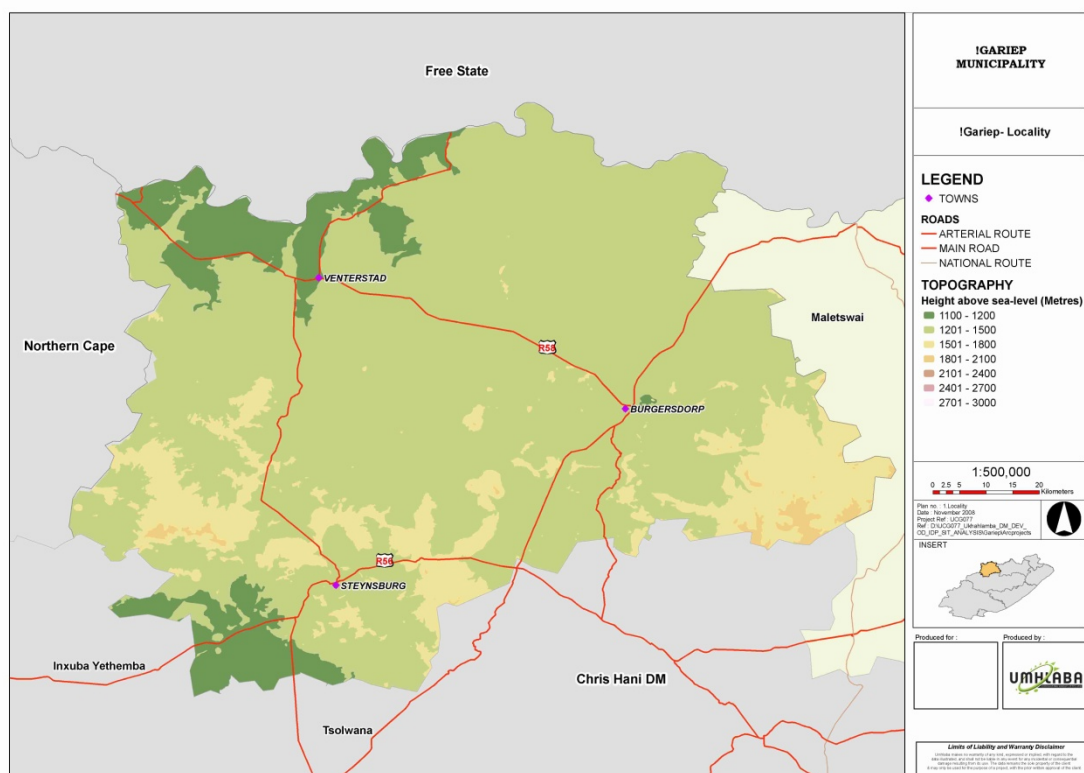
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**Thembinkosi Mawonga**  
**MUNICIPAL MANAGER**

## A. Overview of the Municipality

a) Geographic and demographic profile

The Gariep municipal area is located in the west of the Joe Gqabi District Municipality. Gariep Local Municipality is located south of the Orange River and Gariep Dam and shares boundaries with the following local municipalities: Inkwanca to the southeast, Tsolwana to the south, Inxuba Yethemba to the southwest and Maletswai to east. The Orange River separates Gariep from both the Northern Cape and the Free State Provinces. Gariep Local Municipality covers an area of 8,922.2km<sup>2</sup> and has three main towns namely Burgersdorp, Steynsburg and Venterstad.

The Gariep Local Municipality has a fairly diverse vegetation and is home to three distinct vegetation types, one of which – Eastern Mixed Nama Karoo – is recognised as a nationally significant biome.



## Population Density

According to the revised population estimates based on the Community Survey 2007 (Statistics South Africa, 2007), the Gariep local municipality has a population of approximately 23,709 (compared to the 2001 Census estimate of 31,313) people residing in 8,208 households (compared to 8,229 households (Census 2001). This population accounts for 7.69% of the total population

residing in the Joe Gqabi district, making it the least populous local municipality in the district. (Refer to table below)

Between 1996 and 2001, **4,480** people emigrated to Gariep, primarily from the Northern Cape. This can probably be attributed to the better quality of services in Gariep. 2007 Community Survey is used as the primary source of data however it is recognised that due to the smaller sample size used in the survey figures may be under/over stated.

**Table: Population and Population Densities in the Gariep Local Municipality**

Town	Pop 2007	Area Km <sup>2</sup>	Pop Density
Burgersdorp	5418	27.2	199.2
Venterstad	563	81.4	6.9
Steynsburg	787	1.4	573.0

Source: Urban-Econ Database, 2009

**Total Population and Households Figures (2007 Community Survey)**

Name	Population	Population as % of District	Population as % of Province	No. of Households	Households as % of District	Households as % of Province
Gariep Municipality	23,709	7.69%	0.36%	8 208	0.91%	0.05%

### Rural vs. Urban Population

According to the 2001 Census 75.5% of households are urban in nature.

*Table indicating urban and rural household information (2001 Census)*

Name	No. of Rural household	% of total households	Rural hh as % of province	No. of Urban households	% of total household	Urban hh as % of province	Total No. of Households
Gariep Municipality	2017	24.5%	0.24%	6212	75.5%	0.94%	8229

The plan overleaf indicates the spatial representation of the population density and the chart indicates age and gender for the Gariep Municipality.

### Gender Distribution

The overall male – female ratio is 47.1% male to 52.9% female. There are slightly more female than male headed households. This could be attributed to **outward migration** by males in search of work.

**Table: Household head**

Municipality	Male	Female
Gariep	4096	4106

Source: Statistics South Africa: Community Survey 2007

### Racial Distribution

The majority (66.04%) of the population are Black Africans.

Racial Group	Percentage
Black African	66.04%
Coloured	27.20%
Asian/ Indian	0%
White	6.76%

### Age Distribution

Approximately 51.11% of the municipal population falls in the 20-65 age categories which can be seen as the economically active sector of the population, with 42.27% of the population below the age of 20. This suggests continuing population growth in the area with a need for educational facilities and a focus on education and skills training.

The age structure of the Gariep Municipality establishes the potential **size** of the economically active **labour force**. The large number of young people in Gariep is mirrored by the high dependency on **child support grants**.

### Disability

The status of disability has been obtained from 2001 data from the Municipal Demarcation Board's website and is indicated in the table below:

Description	2001
No disability	28,424
Sight	664
Hearing	380
Communication	134
Physical	915
Intellectual	214
Emotional	240

Multiple	329
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- b) Socio-economic context: Provide the following key information: main economic activities, poverty trends among the population and unemployment rates, etc...

### Unemployment Levels

Data from the 2007 Community Survey indicates that the average unemployment rate of the Gariep Municipal area is 20%. (See Table below) ***This only includes people that are actively searching for work.*** The percentage of people who are unemployed but not looking for work is 47%, compared to 54% for the district and 48% for the province.

There are 3 874 people employed in Gariep (26.64% of the population), compared to 25% in the district and 29% in the province.

### Employment – Gariep Municipality

	Number of People	% of Gariep
Employed	3,874	26.64%
Unemployed	2,930	20.15%
Not economically active	6,812	46.85%
Unspecified	481	3.31%
Institutions	444	3.05%
<b>Total</b>	<b>14541</b>	<b>100%</b>

The urban areas and commercial farming district are the highest employers, where people have found employment in the agriculture, commercial and service sectors.

The plan overleaf is based on data from the 2001 Census, and indicates the percentage of the potential workforce (i.e. those aged 15 to 65) who is employed across the district. It is clear that in 2001 Gariep had the highest percentage of employment, but this picture has changed with the updated data from the Community Survey 2007.

The pie chart overleaf indicates the economic sectors for employment in Gariep Municipality, with agriculture accounting for 32% of the employment, followed by community services with 26%.

### Household Income and Poverty Levels

The data from the Community Survey 2007 indicates that 28.64% of the population of Gariep earn no income and that a further 32.12% earn between R1 and R1600 per month. This is compared to

50.58% of the district population with no income and 59.34% of the provincial population with no income.

#### Income categories – Gariep Municipality

Income	Number of People	% of Gariep
No income	4,164	28.64%
R 1 - R 400	363	2.50%
R 401 - R 800	733	5.04%
R 801 - R 1 600	3,574	24.58%
R 1 601 - R 3 200	573	3.94%
R 3 201 - R 6 400	363	2.50%
R 6 401 - R 12 800	354	2.43%
R 12 801 - R 25 600	68	0.47%
R 25 601 - R 51 200	0	0.00%
R 51 201 - R 102 400	21	0.14%
R 102 401 - R 204 800	0	0.00%
R 204 801 or more	9	0.06%
Response not given	3,874	26.64%
Institutions	444	3.05%
<b>Total</b>	<b>14,540</b>	<b>100.00%</b>

This has implications with regard to affordability of services and the sustainability of these services. Many people are dependent on social grants.

The Community Survey 2007 indicates that 60.76% of the Gariep population earn no income or between R1 and R1600 per month, compared to 74.51% of the population of the district and 81.46% of the province.

#### Number of people earning less than R1600 per month – Gariep Municipality

	Gariep Population	% of Gariep
No income	4,164	28.64%
R 1 - R 400	363	2.50%
R 401 - R 800	733	5.04%

R 801 - R 1 600	3,574	24.58%
<b>TOTAL</b>	<b>8.834</b>	<b>60.76%</b>

The dependency ratio indicates the ratio between those who are not economically active by virtue of their age (i.e. either younger than 19 or older than 65 and thus economically dependent) to those who are within the economically active age of 20 to 65.

In Gariep the dependency ratio is 96:100, which means that for every 100 economically active people, there are 96 people who are dependent.

### Dependency on Social Grants

There is a high level of dependency on social grants. 34.2% of the population is dependent on social grants which include but not limited to the following;

- Old age pension
- Disability grant
- Child support grant
- Care dependency grant

Child support grants, disability grants and old age pensions respectively constitute 44.9%, 31.5% and 20.1% of the allocated grants. Given the high poverty levels, the Gariep Municipality needs to facilitate a process to ensure that all potential beneficiaries of grants receive what they are entitled to.

Gariep Local Municipality	Male	Female	Total
<b>Not Applicable</b>	7389	7588	14977
<b>Old age pension</b>	298	1330	1628
<b>Disability grant</b>	1223	1330	2553
<b>Child support grant</b>	1673	1971	3644
<b>Care dependency grant</b>	81	109	190
<b>Foster care grant</b>	34	38	72
<b>Grant in aid</b>			0
<b>Social relief</b>		16	16
<b>Multiple social grants</b>		11	11
<b>Institutions</b>	469	146	615

## Education

The table below is obtained from the Community Survey 2007 and indicates that 36% of the Gariep population has received education up to Grade 6. 15.78% have received no schooling and a small percentage has some form of tertiary education.

### Level of education – Gariep Municipality

	Number of People	% of Gariep
Grade 0	51	0.37%
Grade 1/sub A (completed or in process)	147	1.07%
Grade 2/sub B	273	1.99%
Grade 3/standard 1	237	1.73%
Grade 4/standard 2	553	4.03%
Grade 5/standard 3	625	4.55%
Grade 6/standard 4	761	5.55%
Grade 7/standard 5	974	7.10%
Grade 8/standard 6/form 1	1,343	9.79%
Grade 9/standard 7/form 2	900	6.56%
Grade 10/standard 8/form 3/NTC I	1,446	10.54%
Grade 11/standard 9/form 4/NTC II	534	3.89%
Attained grade 12; out of class but not completed grade 12	982	7.16%
Grade 12/Std 10/NTC III (without university exemption)	661	4.82%
Grade 12/Std 10 (with university exemption)	83	0.60%
Certificate with less than grade 12	168	1.22%
Diploma with less than grade 12	273	1.99%
Certificate with grade 12	212	1.54%
Diploma with grade 12	359	2.62%
Bachelor's degree	162	1.18%
BTech	0	0.00%
Post graduate diploma	0	0.00%
Honour's degree	65	0.47%



Higher degree (masters/PhD)	37	0.27%
No schooling	2,166	15.78%
Unspecified	273	1.99%
Institutions	438	3.19%
<b>Total</b>	<b>13,723</b>	<b>100%</b>

There are 23 primary, 4 secondary and 4 combined schools in Gariep local municipality. There are no tertiary facilities in the municipality area.

In a collaborative partnership the Department of Education and Department of Public Works are planning to refurbish the Paul Kruger School in Steynsburg and to re-establish it as a Skills Development Centre.

### C. Major events of the year

Major Event	Date	Effect on Working Environment
<b>Business breakfast convened with business sector.</b>	July 2010	The session gave rise to the LED Forum, roles and responsibilities were clarified amongst stakeholders.
<b>Gariep participated in the District Greenest Town Competition and came second.</b>	July 2011	The municipality was assessed the management of waste, efficiency of refuse collection, management of illegal dumping, maintenance of parks, open spaces taxi ranks, etc.
<b>Outreach Programme</b>	July 12-15, 2010	Community involvement & feedback on performance
<b>School Visits</b>	26-28 November, 2010	Lobbying for motor licensing
<b>Mayoral Tournament</b>	November 27-28, 20	Identifying talent at tender age
<b>Community Based Planning</b>	February 2011	Informed IDP through ward plans
<b>IDP Representative Forum</b>	March 2011	Participation of stakeholders in municipal key decision making processes
<b>Political Outreaches</b>	April 2011	Community involvement & feedback on performance
<b>HIV /AIDS awareness programme in Burgersdorp</b>	April 20, 2011	Programme mainstreaming
<b>District Mayoral Tournament</b>	May 07-08, 2011	Community interaction
<b>Career Exhibition</b>	May 17-19, 2011	Increased number of University intake & pss

		mark
<b>National Municipal Elections</b>	May 18 2011	Increased number of Councillors  Increased number of wards  Delays in Ward Committee establishments
<b>New Council Sworn In</b>	May 31, 2011	Long orientation periods with increased budget for Councillors' trainings
<b>Business Youth Dialogue in all 3 towns</b>	June 07-10, 2011	Youth involved in business empowerment training
<b>Youth Day (District Event in Aliwal North)</b>	June 16, 2011	Youth political & administrative perspective
<b>Outreach Programme</b>	June 12-15, 2011	Community involvement & feedback

#### D. Executive Summary

Although during the year under review challenges and achievements were experienced, tremendous strides were completed towards achieving municipal objectives in all five key performance areas, namely:

- Basic Service Delivery and Infrastructure Development;
- Municipal Financial Viability and Management;
- Municipal Transformation and Development;
- Local Economic Development; and
- Good Governance and Public Participation.

Remarkable progress has been made in all five key performance areas, with more emphasis on the following;

- Improved basic service delivery
- Enhanced customer care
- Accelerating service delivery; and
- Working towards qualified audit opinion.

Key Performance Area	Strategic Objective	Performance Indicator	Achievements	Challenges
Institutional Transformation & Development	Improve organisational cohesion & effectiveness	Improved organizational stability & sustainability	Filling in of critical positions	Not all vacant positions will be filled in due to limited cash flow
			Orientation of new Councillors	Supply Chain Management policy was outdated and not aligned with Treasury Regulations
			Massive training for Councillors and Officials	Computer training was prolonged due to the unfamiliarity
				Majority of employees do not have formal education
Service Delivery	Eradicate backlogs in order to improve access to services & ensure proper operations & maintenance	Improved sustainable delivery of services to all household	Upgraded infrastructure - electricity network, street lights, access roads, water & sanitation, housing rectification in Burgersdorp, Venterstad & Steynsburg towns	Operational budget not available
			Orange fish tunnel pumping scheme established	Limited budget for daily maintenance
			General improvement in waste management, illegal dumping has been reduced and cleaning campaigns are continuously being implemented.	No budget for the waste equipment.
			Landfill sites in good sanitary position due to appointment of spotters.	Changes from insinuator to specialised waste equipment

			Upgrading of libraries (Steynsburg & Venterstad)	Some libraries are not yet renovated due to financial limitations
			Burgersdorp library renovation scheduled for 2011/2012 financial year.	
<b>Local Economic Development</b>	Create an environment that promote the development of local economy & facilitate job creation	Improved municipal economic viability	LED Strategy in place  SMME facilitator recruited and data base for SMME's developed.  Local Government & Traditional Affairs funded a ¾ salary for an LED assistant officer position	Implementation of LED activities and projects
<b>Financial Viability</b>	Improve overall financial management systems	Improved financial management and accountability	Vuna awards for improved audit report & 100% Municipal Infrastructure Grant (MIG) expenditure	Low revenue base which resulted to low cash flow. Limited capacity for the fulfilment some of the qualifications such as bank reconciliation.  Misuse of Municipal Vehicles. Unable to make payments on time due to cash flow problems.
<b>Good Governance &amp; Public Participation</b>	Promote a culture of participatory & good governance	Entrenched culture of accountability & clean governance	Credible Integrated Development Plan (IDP)  Political Outreaches successfully conducted	Limited support by sector departments on IDP process.  No sufficient budget for some raised service delivery hitches that require immediate intervention.  Non-compliance & late submission of legislative reports for example submission of quarterly & Mid-year Budget Performance Assessment Report

## PART 2: KPA ACHIEVEMENT REPORT

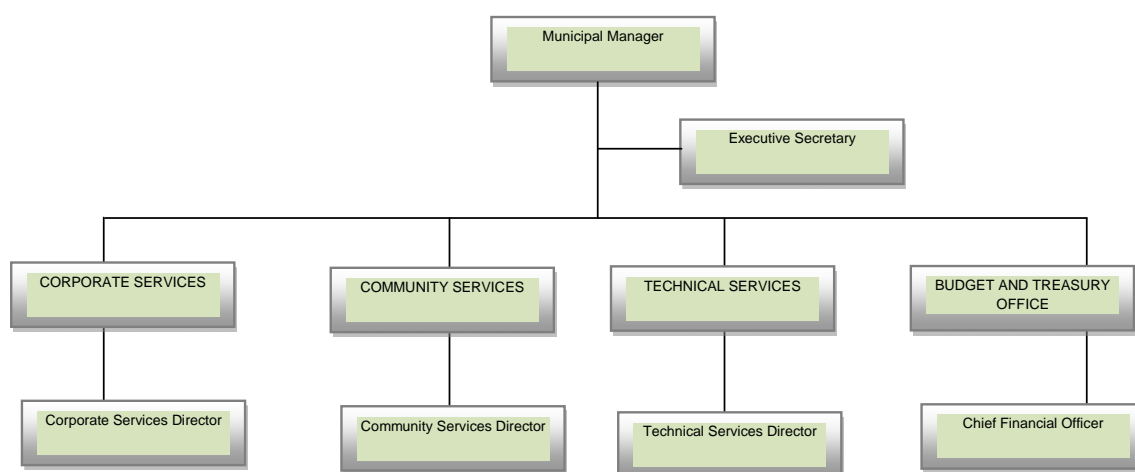
### Chapter 1: Institutional Transformation and Organizational Development – KPA 1

#### 1.1 Presentation of the organizational structure (approved organogram)

The following departments were established to perform the administrative functions of the Municipality;

- The Office of the Municipal Manager
- Budget and Treasury Office
- Corporate Support Service
- Community Service
- Technical Service

#### Organisational Structure



Within the entire institution during 2010/11 financial year the total number of approved posts were 319, 250 posts were filled whilst 69 posts were vacant. The Municipal Manager and all four Section 57 Managers signed Performance Contracts and submitted them within prescribed time frame.

#### 1.2 Staff development initiatives during the Financial Year

The Municipal Council approved Human Resource Policies on August 31, 2009 and are being implemented smoothly. There is no Human Resource Plan but the Workplace Skills Plan was implemented during the year with training reports indicating the total number of Councillors and officials.

For the year under review, the annual training plan was compiled, informed by the training needs of both Councillors and Officials. In total 7 Councillors and 52 officials were trained in various disciplines in the year under review. Officials were also trained in the management and operation of the newly implemented SEBATA Financial Management System.

The strategic objectives of training and development of Councillors and Officials are the following:

- To equip Councillors and Officials with the necessary skills to enable them to discharge their duties effectively and efficiently, in delivering services to the communities.
- To develop, implement and report on Gariep Municipality's Work Place Skills Plan.
- To organize student trainees to do practical work with the Municipality and;
- To ensure compliance with all legislation regarding training and development.

The following are the training interventions that were carried out during the twelve (12) months ending June 2011, for Gariep Local Municipality.

NO	TRAINING	COUNCILLORS	OFFICIALS
1	Councillors Municipal SCOPA skills programme	5	
2	Councillor awareness course on water related disasters	1	
3	Councillors Certificate in Local Government Law and Administration	3	
4	Councillors Advance programme in Local Government Law and Administration	1	
5	Masters Degree in Public Administration		1
6	Local Government Accounting Certificate		2
7	Travel Allowance advances and Reimbursement Course		2
8	Coaching and Mentoring		2
9	Business Writing Skills		2
10	Electrical recognition of prior learning		3
11	Mechanical recognition of prior learning		2
12	Occupational Health and Safety Training		2
13	Record Disposal Training		1
14	System Orientation Financial Management System		27
15	Main Ledger FMS		8

16	Debtors Basic FMS	7
17	Cashbook FMS	3
18	Receipting Session 1 FMS	8
19	Payroll FMS	2
20	Leave System FMS	5
21	Debtors Basic 2 FMS	3
22	Receipting Session 2 FMS	5
23	Assets FMS	4
24	Movable Equipment FMS	4
25	Venue Rentals FMS	4
26	Stores and Creditors FMS	4
27	Debtors Advance FMS	5
28	Landfill Operators Training	1
29	OD-ETDP Leanership	1
30	Supply Change Management Course	1
31	Municipal Financial Management	4
32	Water Process Control Training	7
33	Customer Care Training	1
34	Bricklaying Leanership	5
35	Leaners License Course	2
36	Gapskill Webtool Training	2
37	Supervisors Training	1
38	Labour-intensive Methods of Construction Training	1
39	Local Economic Development Training	1

### 1.3 Key HR statistics per functional area

#### a. Full time staff complement per functional area - Municipal Manager/Section 57 and Line Managers

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	MUNICIPAL MANAGERS OFFICE	16	12	4
2	BUDGET AND TREASURY	34	24	10
3	CORPORATE SUPPORT	12	11	1
4	TECHNICAL SERVICE	147	108	39
5	COMMUNITY SERVICE	110	95	15
	Total	319	250	69

## **b. Staff complement in the technical services**

### **1. Technical staff registered with professional bodies**

Technical Service	Total number of technical service Managers	Total number registered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
	1	1		

### **2. Levels of education and skills**

Total number of staff	Number of staff without Grade 12	Number of staff with Senior Certificate only	Number of staff with Tertiary/accredited professionals training
250	149	48	53

### **3. Trends on total personnel expenditure**

Financial Years	Total number of staff	Total approved operating Budget	Personnel expenditure (salary and salary related)	Percentage of expenditure
2008-2009	235	R 51 400 791	R 21 701 807	42 %



<b>2009-2010</b>	231	R 65 635 187	R 27 732 428	42%
<b>2010-2011</b>	250	R 72 214 164	R 30 143 541	41%

Gariep Local Municipality implemented the South African Local Government Bargaining Council Collective Agreement on categorisation and job evaluation wage curves on 1 July 2010. The Municipality was categorised as Category 2 as per the agreed criteria. Task evaluation results was then used to place employees on the new wage rates as determined in the agreement of SALGBC.

#### 4. List of pension and medical aids to whom employees belong

Names of pension funds	Number of members	Names of medical Aid Funds	Number of members
<b>SAMWU Provident Fund</b>	104	Bonitas Medical Aid	14
<b>SALA Pension Fund</b>	83	Munimed	4
<b>Cape Joint Pension Fund</b>	5	LA Health	8
<b>Cape Joint Ret Fund</b>	47	SAMWU Med	25
		HOSMED	7

#### 1.4 Senior officials' wages and benefits

ITEM	MUNICIPAL MANAGER	CHIEF FINANCIAL OFFICER	DIRECTOR CORPORATE SUPPORT	DIRECTOR COMMUNITY SERVICE	DIRECTOR TECHNICAL SERVICE
<b>Basic salary</b>	R 741 398	R 409 368	R 483 346	R 394 673	R 357 859
<b>Travel Allowance</b>	R 334 804	R 273 983	N/A	R 243 491	R 233 755
<b>Cell phone allowance</b>	N/A	N/A	R 8 900	R 8 830	R 8 830
<b>Medical Aid</b>	R 20 707	R 1 725	N/A	R 69 501	N/A
<b>Pension</b>	N/A	R 70 271	R 101 122	N/A	N/A
<b>UIF, Bargaining Council, Other</b>	R 49	R 1 546	N/A	R 1 549	R 11 649
	N/A	N/A	N/A	N/A	N/A
<b>Bonus</b>	N/A	R 79 434	R 76 732	R 32 889	R 29 824
<b>TOTAL</b>	R 1 096 958	R 836 327	R 670 100	R 750 933	R 641 917

### 1.5 Implementation of the Performance Management System (PMS):

Council approved a Performance Management System Framework in 2009 and four Managers reporting to the Municipal Manager signed their Performance Contracts. A number of performance reports were submitted to Treasury & LGTA, they included half year report, annual report & annual performance report.

### 1.6 Annual performance as per key performance indicators in municipal transformation and organizational development

Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1 Vacancy rate for all approved and budgeted posts;	276	250	90%	
2 Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	5	5	100 %	
3 Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	5	4	80%	
4 Percentage of Managers in Technical Services with a professional qualification	3	1	33%	
5 Percentage of municipalities within the district area that have a fully functional Performance Management System (DM only)	N/A	N/A	N/A	N/A
8 Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term		250	100%	
9 Percentage of councillors who attended a skill development training within the current 5 year term	8	8	100%	
10 Percentage of staff complement with disability		1	0.4%	People with disabilities are not encouraged

			to apply for positions	
11	Percentage of female employees	78	32%	Most of the general workers who are the majority are men
12	Percentage of employees that are aged 35 or younger	98	31.7%	There are many employees who have worked for longer years in the institution

### 1.7. Major challenges and remedial actions in regard to human resource and organizational management

There is a high rate of employees with low levels of education, applications for ABET programme funding has been submitted to LGSETA with the purpose of increasing education levels. Currently there is 96 (40.8%) staff members enrolled with the NQF 1.

## Chapter 2: Basic Service delivery performance highlights (KPA 2)

### 2.1 Water services

#### 2.1.1. Water services delivery strategy and main role-players:

Gariep local Municipality is the Water Service Provider (WSP). This simply means that the local municipality is providing the water on behalf of the Water Service Authority. Joe Gqabi District Municipality is the (WSA). All five wards of the municipality are being provided with the potable water. The municipality together with the district are both trying their level best to provide all communities with clean and quality water. All the assets like water treatment plan, reservoirs, vehicles and staff personnel are all registered with the district municipality as their assets. The strategy that we are using as the municipality together with the district is the strategy that ensures that all the staff personnel are treated equally. All the parts for the pumps and the equipments that are required for the execution of the duties are being purchased via the district municipality. The district has also appointed the service provider by the name of Zanamanzi as the sole company that will do the maintenance part of the entire bulk infrastructure. There is the service provider by the name of Madakeni that is assisting in the process of maintenance and operation of the infrastructure. The process of identification and classification between the networks, reticulation against the bulk infrastructure was finalized early in May 2011.

The district has already assigned one water manager to each and every municipality in the jurisdiction of Joe Gqabi District. The main function of the water managers is to ensure that the municipality are complying hundred percent with the requirement of DWA in term of water quality. They are also responsible for the procurement of all the equipment that are needed to ensure that at the end of the day, we provided communities with clean and quality water. The district has also developed the water master plan for the area of Burgersdorp, due to the challenges of water shortage in the area, this has also impacted negative on the future development of the area.

### 2.1.2. Levels and standards in water services:

The municipality is currently providing water to the total number of 8910 households in Gariep local municipality. All the households are not just provided with the standard or basic water services as prescribed in the MIG guideline document. The municipality has provided each and every household with the standpipe inside his/her erven. The quality of water that is provided to the communities of Gariep is regarded as the quality water. There are some few challenges that as facing the municipality in term of the municipality not meeting the green or blue drop status. The challenges are related to the registration of plans, the proper operation manuals, the process controllers that are not qualified but having enough experienced in terms of process control.

The plant of water is also operated as per the DWA requirement of 24 hours shift working plan. This is one of the best plan that ensures that the water provision is constant and in top-quality.

### 2.1.3. Annual performance as per key performance indicators in water services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1 Percentage of households with access to potable water	8910	0	1684	1684	100%
2 Percentage of indigent households with access to free basic potable water	8710	8710	5500	5500	63%
4 Percentage of clinics with access to potable water	6	1	1	1	100%
5 Percentage of schools with access to potable water	16	3	3	3	100%

6	Percentage of households using buckets (VIP's)	1684	1684	1684	1684	100%
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#### **2.1.4. Major challenges in water services and remedial actions:**

The main challenge with the water services in Gariep is the issue of old and dilapidated infrastructure. The current infrastructure has already exceeded its lifespan. Also the issue of process controllers that are not qualified but with necessary experience, that needs to be addressed. Both issues are more than challenging for the institution because most of those workers are illiterate.

The main thing that needs to be done first in Gariep, is the process of upgrading the existing infrastructure. This can be done via the funding that is available from MIG. Also the issue of storage capacity which is the major problem for the area of Burgersdorp, the proposed solution was the upgrading of the current storage dam or construction of bulk line from Oviston to Burgersdorp which can be done via the grant funding that is available from DWA. Obviously the issue of professional people with technical skills is also the major problem. The issue can also be sorted out via the support from the DBSA siyenz' manje programme. There is also the programme of MISA which has been introduced by the president to assist the municipalities who are not having the necessary and capable personnel in term of technical knowhow.

### **ELECTRICITY SERVICES**

#### **2.2.1. Electricity services delivery strategy and main role-players**

The area of Gariep is divided into two sections. There are households that are being supplied by Eskom and others by Gariep Local Municipality. The main reason for this strategy was the issue of capacity by then. The municipality was unable to provide all households with electricity and they decided to seed the rights to Eskom as the supplier for other sections of Gariep. Out of 8910 households that we have in Gariep, the total of 3591 households is being supplied by Eskom.

This is major problem for the municipality because we are unable to collect enough revenue. All the households that are being supplied by Eskom are using the pre-paid meters. On the side of the municipality there is a mixture of pre-paid and conversional meters.

#### **2.2.2. Level and standards in electricity services**

The high level of electricity services is being provided by Eskom to all its consumers. Also the standard of service is also high, except the issue of selling points that are not sufficient. The municipality is also doing very well in terms of level of service and standard. The main issue with the side of the municipality is the one of the old and dilapidated infrastructure that needs to be upgraded to the acceptable standard. The issue of selling points is also the major challenge for the municipality.

### 2.2.3. Annual performance as per key performance indicators in Electricity services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1 Percentage of households with access to electricity services	8910	0	0	0	0%
2 Percentage of indigent households with access to basic electricity services	8710	8710	8710	8710	100%
3 Percentage of indigent households with access to free alternative energy sources	0	0	0	0	0%

### 2.2.4. Major challenges in electricity services and remedial actions

As mentioned early on the main problem or challenges that are currently encountered by the municipality.

1. The issues of selling points that are not enough on both sides of Eskom and Gariep.
2. The issue of capacity within the municipality to supply all the households within their area of jurisdiction.
3. The upgrading of the existing infrastructure.
4. Recruitment strategy of people with rear skills, especially the technical skills.

On the issues of selling points, Eskom need to increase the number of people that are selling the electricity with good profit, so that people can be more interested to sell the electricity on behalf of Eskom.

## SANITATION

### 2.3.1. Sanitation services delivery strategy and main role-players

The issue of sanitation is the same as the one of water. The local Municipality is just providing the services on behalf of the District Municipality. All the assets for sanitation are also registered with the District municipality as their assets not for the local Municipality.

### 2.3.2. Level and standards in sanitation services

The levels of services that are rendered to the communities of Gariep are off great level and standard. The only area in Gariep that is still using the VIP's (Ventilated Improved Pits) is the area of Steynsburg. The major course for the area to use the VIP's it's because of insufficient water in the area. The district municipality was force to swipec around the national targets so that they can start with water before the sanitation programme which was supposed to be eradicated before December 2007. The entire bucket system programme was eradicated before December 2007.

### 2.3.3. Annual performance as per key performance indicators in sanitation services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1 Percentage of households with access to sanitation services	8910	1684	1684	1684	100%
2 Percentage of indigent households with access to free basic sanitation services	8710	8710	5500	5500	63%
3 Percentage of clinics with access to sanitation services	6	1	1	1	100%
4 Percentage of schools with access to sanitation services	16	3	3	3	100%

### 2.3.4. Major challenges in sanitation services and remedial actions

The major challenges for sanitation in the area of Gariep are not that much. The only issue that needs to be addressed is the one of people with greater understanding in terms of process controllers and also pumps operation.

This can be done by recruiting people with passion for waste water operations. The candidates must be properly trained for process control before starting with practical operations.

## 2. 4 ROADS MAINTENANCE

### 2.4.1. Road maintenance services delivery strategy and main role-players

Gariep local Municipality has its own powers and Functions. One of the functions of the local authority is to ensure that roads which belong to the municipality are properly maintained. The municipality has started with the initiative of focusing on roads especially the roads that are very

much critical to maintain. Hence the municipality started with more than seven registrations of roads projects to the Municipality Infrastructure Grant (MIG). As from 2008 until 2011 the municipality will ensure that all the grand funding that is coming from MIG will be utilised on the upgrading of the existing roads and also to the access roads.

As part of proper roads construction and community development, the municipality has also engaged local contractors for the construction of storm water channels. There is also a dedicated section within the structures of the municipality that deals with day to day operation of the road maintenance. The main function of the section is to ensure that all the storm water channels are cleaned; the road signs are in place and also the road marking.

#### **2.4.2. Level and standards in road maintenance services**

The municipality has embarked on the programme of ensuring that all the access roads that are within the jurisdiction of the Municipality are paved with Pave Blocks. This is a very high level and standard of road construction method. The pave blocks were chosen because of the number of job opportunities that are being created and the same length the road is so easy to maintain.

The method of pave block is the best method for the internal roads of the municipality especially when the traffic that is using the road is not that heavy.

### **2.5 Waste management**

#### **a. Waste management services delivery strategy and main role-players**

Gariep Local Municipality in exercising its executive authority to deliver waste management activities according to section 9(1) of National Environmental Management : Waste Management Act , 2008 focuses on waste removal, (collection and transportation), street cleansing and waste disposal services relatively in compliance with National and Provincial Norms and Standards. The other focus areas include inter alia management of landfill sites, combating illegal dumping, creation of awareness and education on waste management and lastly recycling although still on a small scale. The Municipality has not reached the stage of separating neither avoidance and compacting of waste as contemplated in subsection 1 of the said act , for now waste is disposed off in a Municipal landfill site.

The municipality intends passing by –laws in 2011/2012 financial year and this makes it difficult to effect any law enforcement measures to control illegal dumping.

#### **Main role players involved and their role in waste management services provision within the municipality.**

Following the provisions of the Municipal Structures Act , 1998(Act . 117 of 1998) requiring all Municipalities to carry out waste management services, a Waste Management Officer from the administration has been designated to coordinate matters pertaining to all waste management activities in the Municipality. The roles assigned to the officer encompass these



Monitoring compliance of waste management activities in the Municipality, waste management planning and reporting , monitoring of adherence to norms and standards in the delivery of waste activities and lastly enforcement of by –laws and prohibition of illegal dumping.

The waste management officer reports to Assistant Director Community services who reports to the Director and the portfolio head. The Municipality has about three towns which all have supervisors for waste management.

Department of Economic Development and Environmental Affairs is currently assisting in the monitoring and compliance with NEMWA and they assist in the implementation of educational programmes on waste management to schools and the community at large. The District Municipality runs a forum for all waste management officers and relevant director for all four municipalities.

The municipality relies on the District integrated Waste Management Plan to guide its waste management activities. During 2010/11 concerted efforts were considered to dispose of waste in a manner that does not adversely affect the environment. The Waste Management Policy shifted the focus away from a purely disposal function to the pursuit of waste avoidance, reduction, re-use and recycling are being pursued although it's on a small scale.

The Municipality has approached DBSA through Jeffers & Green for financial support to develop waste management plan. The municipality is quite aware that it has to develop, adopt and submit the waste management to the MEC for approval.

It is recognised that service levels may differ between areas depending on the practicality and cost efficiency of delivering the service however the standards for domestic waste collection are required to give effect to the right to an environment that is not harmful to health and well being uniformly throughout.

#### **b. Level and standards in waste management services**

Acknowledging that waste minimisation is encouraged , the frequency of waste collection methods should not encourage illegal dumping or cause nuisance in terms of odours and volumes hence regular equitable waste collection services are provided to all households within the jurisdiction of the municipality at least once a week. At least maintenance schedules are adhered to and roadworthiness of vehicles is ensured. Each household receives waste removal services at least once a week.

Waste Management Officer sees to communication, awareness and complaints handling related to waste although not having reached its plateau. All schools in all three units have been reached in conjunction with DEDEA. Leaflets with educational messages distributed together with the municipal bills to the public on a monthly basis.

The municipality still needs to improve in the creation of enabling environment for collection of recyclables. Receptacles in the form of refuse bags are provided to 8977 household at least once a month, no skips nor are bulk containers provided. Refuse bins placed in all strategic places

**Waste Management Sites:** Environmental conservation Act 73 of 1989 specifically requires that no waste disposal sites shall be established or operated without permit and waste should only be disposed of on a permitted site however Gariep is slowly progressing to comply with this condition. Spotters are doing an excellent job in the management of landfill sites. Volumes of waste are recorded monthly during official hours only. All three operational landfills are in a sanitary condition. Waste coming to the landfills is strictly general waste and can safely classify all the landfills as GCB-

Landfill site	Status	Progress
Burgersdorp	Unpermitted	Environmental Impact Assessment scheduled for 2011/2012. Managed by one spotter.
Steynsburg	Permitted	Managed by one spotter
Venterstad	Unpermitted	Managed by one spotter

#### c. Annual performance as per key performance indicators in waste management services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1 Percentage of households with access to refuse removal services	8977	None	8977	8977	100%

#### d. Major challenges in waste management services and remedial actions

Challenges experience relate to inadequacies in planning due to unavailability of the waste management plan that has been reported to earlier. Disposal of waste is a significant challenge and this is leading to lack of compliance with legislation, water, air and aesthetic pollution which is not good for both economic and social development. Enforcement of by laws is still our greatest challenges as they are not yet effected therefore severe punishments cannot be imposed to offenders. Cost effectiveness of current services is poor mainly due to a history of lack of investment in the service in terms of equipment, staff, and planning.

Waste Management Challenges	Remedial Actions
Landfill sites : Only one site is licensed out of five	Burgersdorp site is in the process to be developed. Efforts to solicit financial support explored from

	DEDEA
<b>Service Standards: Collection vehicles too old and need high maintenance. (Open vehicles)</b>	Municipality lobbying to get a loan to replace the vehicles with yellow fleet.
<b>Unavailability of by-laws to restrict nuisance and littering. This has contributed to the high rise of illegal dumping</b>	Scheduled to be finalised in 2011/2012
<b>Suggested waste management hierarchy not complied with as yet.</b>	Soliciting funding to purchase equipment
<b>Unavailability of Waste Management Plan</b>	Continuous lobbying for funding & technical support

## 2.6 Housing and town planning

### 2.6.1. Housing and town planning services delivery strategy and main role-players:

According to the department of Housing which is also known as the department of Human settlement. Their main function as the department is to provide houses to the communities that are in need. This process is done via the local municipality. The municipality must apply for the housing project that is in their IDP. The municipality must also ensure that they have a piece of land for that particular development. The application must also have the beneficiary list attached to the application.

The planning for the new development it's normally done at the municipal level. The municipality must have sufficient capacity in order to monitor and develop housing projects. If the municipality does not have enough capacity then the department of human settlement can assign some officials to assist the municipality on the new development.

In the event that the local municipality becomes the developer, then the municipality must be in the position to execute all the duties that will be assigned to the municipality. The duties will also include the appointment of the service providers, payment certificates to the service providers. The municipality must confirm in writing if the bulk services are in place before the start of each and every development.

### 2.6.2. Level and standards in Housing and town planning services:

The department of human settlement have developed some specifications to ensure that the entire current projects are in line with the NHBRC requirements. On the specifications for the new project, it is also indicated that the foundation of the house will be the Raft foundation instead of the strip foundation. The side of the house must be 40m<sup>2</sup>, with the inside toilet. The quality of the house is closely monitored to ensure that at the end of the day the communities are getting quality houses.

### 2.6.3. Annual performance as per key performance indicators in housing and town planning services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
<b>1</b> Percentage of households living in informal settlements	2%	N/A	N/A	N/A	N/A
<b>2</b> Percentage of informal settlements that have been provided with basic services	100%	N/A	N/A	N/A	N/A
<b>3</b> Percentage of households in formal housing that conforms to the minimum building standards for residential houses	100%	N/A	N/A	N/A	N/A

#### **2.6.4. Major challenges in housing and town planning services and remedial actions**

The main challenge with the housing development is the issue of rectification programme. The municipality was not involved from the word go when the project was started. The project is running with the very slow pace.

The department need to cut off all the middle man in order to fast track the implementation of the programme. The contracts for the ratification programme must be between the department as well as the contractor.

### **2.7 Spatial planning**

#### **a. Preparation and approval process of SDF:**

The SDF is the principal instrument for forward planning and decision making on land development in the entire municipal area. The Gariep SDF was adopted by Council during August 2008 and a business plan with Council resolution soliciting funding for the review of SDF have been submitted to DLGTA for the financial year 2012/13.

The impact of climate change on development is a new element addressed during the review of the Eastern Cape Provincial Development Plan and specifically the effects of drought will also be taken into account when the Gariep SDF is reviewed.

## Development Key issues, Strategies, Implications & Spatial Development Objectives

The following priority issues, spatial development implications and development objectives are identified in the SDF as crucial in unlocking the land development potential of the Gariep municipality:

No	Key Issues	Spatial Development Objectives	Strategies
1.	Basic Needs	Ensure availability of minimum acceptable level of infrastructure and services throughout the Municipal Area. Improved capacity in service delivery.	Identify and prioritise areas greatest need. Systematically link services and services supply networks to optimize efficiency. Involvement of all relevant stakeholders.
2.	Spatial Fragmentation	To create an efficient and integrated settlement pattern in Gariep Municipal area	Consolidation and densification of Settlements. Promote the integration of sprawling settlements. Prioritise maintenance and upgrade of strategic link routes
3.	Linkages and Access	Well structured network system allowing for ease of movement. Efficient and Effective links between pertinent nodes, products and services.	Identified nodes and products that require linkage. Identify and prioritize areas where there is greatest need for improved access. Consolidate and integrate spatial development. Prioritise maintenance and upgrade of strategic link route.
4.	Land Use Management	To Develop and Implement an appropriate Land Use Management System. Facilitate security of access to land for development.	Implement a programme to develop appropriate new Zoning Schemes for Urban areas, in line with the direction of new legislation.
5.	Environmental Management	To adhere to sound environmental practises and to protect environmentally sensitive areas.	Implement the principles of Integrated Environment Management. Identify human settlements, settlement edge, strategic transport routes, infrastructure & investment level.
6.	Coordination of Integrated Capacity & Planning System	To reduce conflict and inefficiencies of over lapping policy approaches and regulations. To influence community based and private sector investment. To integrate planning systems & management with reference to District & Provincial levels. To put mechanisms, policies & guidelines in place to adequately manage land use change & future land demand. To capacitate & improve institutional ability & on power general public.	Integration and alignment of all stakeholders' spatial plans. Upgrade the SDF on an annual basis. Conduct detailed land investigates & analysis studies on future commonage expansion & management. Conduct detailed strategies & link to existing programmes with respect to irrigation farming in identified areas. Improve & implement the existing draft zoning maps. Refine land use management & development guidelines & implementation strategies for guidelines & policies. Implement a computer based GIS system to link cadastral information, ownership & financial system.
7.	Land Availability	To facilitate land availability for various agricultural & non-agricultural uses in order to implement the objectives of the IDP. To put in place a strategy for commonage expansion & stimulating small scale farming projects	To prepare commonage management & expansion plans for the commonage of Burgersdorp, Stynsburg & Venterstad. To investigate possible land acquisition & expansion of irrigation & farming projects along the Orange River, Gariep Dam & Teebus Tunnel Outlet.

		To proactively engage in expansion of the commonages for future sustainable land use projects	Promote community gardens & food security projects. Revise & refine SDF after two financial years. Engage in land acquisition through Department of Land Affairs.
8.	Sustainable Socio-Economic Development	To focus on labor intensive sustainable development projects. To focus on resource & land availability initiatives on the development of small scale locally driven farming & tourism initiatives. To prioritize disadvantaged poor communities & related programmes.	Integration & cross linkages with IDP & LED Strategies. Integrates with regional & provincial LED programmes & initiatives. Investigate & expand farming, irrigation & tourism initiatives with the aim of maximizing local job creation.
9.	Sustainable Infrastructure Development	To improve existing services. To provide basic services to all residents in the Gariep area. To implement minimum service levels. To have available land for service & bulk service allocations.	Upgrade bulk infrastructure in a pro active manner to deal with housing demand & possible future housing expansion. Provide adequate services for business expansion & tourism growth

Gariep Spatial Development Framework, 2008

The Gariep SDF identifies certain structuring elements, such as nodal points to guide future planning. **The following classes of nodes and corridors**, some of which are either existing or proposed, have been identified for the Gariep municipality, as specific areas or geographic localities where the municipality needs to prioritise its spending, resources and investment:

	Node Type	Geographic Area or Description of Locality
1.	Central Business Districts (CBDs)	<ul style="list-style-type: none"> <li>• Burgersdorp</li> <li>• Steynsburg</li> <li>• Venterstad</li> </ul>
2.	Entertainment Node	<ul style="list-style-type: none"> <li>• Lake Gariep Dam/Resort</li> <li>• JL de Bruin Dam (Resort)</li> <li>• Teebus</li> </ul>
3.	Minor Mixed Land Use Nodes	<ul style="list-style-type: none"> <li>• Taxi rank Burgersdorp</li> <li>• Proposed: One Stop Centre</li> </ul>
4.	Mobility Routes	<ul style="list-style-type: none"> <li>• N6 East London to Bloemfontein</li> <li>• R58 Burgersdorp – Aliwal North</li> <li>• N1 Gauteng to Cape Town</li> </ul>

Gariep Spatial Development Framework, 2008

Nodes comprising of existing and proposed nodal points, are generally described as areas of mixed-use development, usually having a higher intensity of activities involving retail, office, industry and residential land uses. These are the places where most interaction takes place between people and

organisations, enabling most efficient transactions and exchange of goods and services. Nodes are usually located on main transport routes to provide maximum access and typically act as catalysts for new growth and development. Corridors, as complimentary activity spines can provide the critical link between these areas of intense development and activity.

#### **b. Land Use Management:**

The Municipality is positioning itself to;

- Establish a sound institutional arrangement that will ensure that spatial planning and land use management is undertaken in a qualitatively sound manner in the municipality.
- Ensure that environmental issues are considered in the decision making process, as it relates to spatial planning and consideration of projects and developments.
- Provide aesthetic and architectural guidelines for urban development in order to inform building control function.

Although there is one person care taking on land use matters, the municipality takes a lead in resolving conflicts that arise between the different sectors & interest groups around land development projects, for instance intervening ownership of residential properties which have been transferred into the legal proprietor of property; site, pavement and street boundary conflicts accruing from non submission of building plans are brought to municipality's attention.

The municipality received and processed number of applications in the following categories;

- Rezoning

There were eight rezoning applications received and advertised for comments and objections by the community where after all were finalised during this reporting year. The types ranged from residential to business.

- Sub-division

Three subdivisions applications were received from the land Surveyor on behalf of his client and were approved by Council.

- Consent use

Eight consent use (primary use of the zone) applications were received and applicants were informed of the uses of the zoning applicable to their applications were then allocated.

- Consolidations

Two consolidation applications were received from the land Surveyor on behalf of his clients and were approved by Council.

- Removal of restrictive conditions

There was no removal of restrictions applications received from the community

- Township establishments

During 2010/11 financial year no township establishment made

- Departure

Five departure applications were received and approved by Council following investigation of the premises

- Building plans

During the 2010/11 reporting year thirty three building plans were approved of which sixteen were new buildings and seventeen extensions to existing buildings

### C. Major Challenges in Spatial Planning Services and Remedial Actions

Major Challenges	Remedial actions
<b>SDF &amp; town planning scheme have not been reviewed due to limited cash flow</b>	Lobby funding from LGTA in 2012/13. Follow up on submitted business plan
<b>No dedicated personnel for land use management, environmentalist, town planning, land surveying, property management, building control, &amp; GCIS</b>	Some functions will be added to relevant existing personnel & fixed benefit will be negotiated
<b>Unavailability of Land Use Management Plan (LUMP) due to limited municipal funds</b>	Continuous Lobbying for funding
<b>Limited sector departments IDP support</b>	Maintaining continuous communication
<b>Installation of services to available surveyed sites</b>	Council resolution to attach budget of the services
<b>Finalization of tenders received by the bid adjudication committee for available sites advertised</b>	Speedy finalization of tenders by the bid adjudication committee for compilation of agreement of sale
<b>Delay of land use application approval</b>	Delegation of powers to Director Technical Services

### 2.8 Indigent policy implementation:

#### a. Preparation and approval process of the indigent policy

A door to door campaign was performed which started in April 2010 and took a period of two months, the registration process which was to be implemented in July 2010 for the 2010/2011 financial year. A policy was approved together with the finance policies on the 30 June 2010.

#### b. Implementation of the policy

The indigent register is in place and updated annually, the policy is implemented in a way that the municipality subsidises all service as specified in the policy, subsidising the different levels of consumers as specified in the policy. The municipality does not have a specific implementation plan in place.



## 2.9 Overall service delivery backlogs

Basic service delivery area	30 June 2010			30 June 2011.		
Water backlogs (6KL/month)	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	R27m	R27m	R27m	R34m	R34m	R0m
Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality)						
Spending on new infrastructure to eliminate backlogs (R000)	R4,5m	R4,5m	R4,5m	R7,2m	R7,2m	R5.3m
Spending on renewal of existing infrastructure to eliminate backlog (R000)	R1,2m	1,2m	1,2m	2,2m	2,2m	1,7m
Total spending to eliminate backlogs (R000)	32,7m	32,7m	32,7m	43,4m	43,4m	7,0m
Spending on maintenance to ensure no new backlogs (R000)	1,2m	1,2m	1,2m	2,2m	2,2m	1,7m
Electricity backlogs (30KWH/month)						
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	10,0m	10,0m	10,0m	15,0m	15,0m	0.0m
Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality)						
Spending on new infrastructure to eliminate backlogs (R000)	10,0m	10,0m	1,2m	15,0m	15,0m	0.0m
Spending on renewal of existing infrastructure to eliminate backlog (R000)	15,0m	14,5m	8.6m	20,0m	17,6m	11,3m
Total spending to eliminate backlogs (R000)	35,0m	24,5m	19.8m	50,0m	47,6m	11,3m
Spending on maintenance to ensure no new backlogs (R000)	15,0m	10,0m	1,2m	15,0m	15,0m	0,0m
Sanitation backlogs						
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	34,0m	5,5m	5,0m	24,0m	5,7m	5,7m

<b>Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)</b>						
<b>Spending on new infrastructure to eliminate backlogs (R000)</b>	34,0m	27,0m	27,0m	0,0m	0,0m	0,0m
<b>Spending on renewal of existing infrastructure to eliminate backlog (R000)</b>	34,0m	5,5m	5,0m	24,0m	5,7m	5,7m
<b>Total spending to eliminate backlogs (R000)</b>	<b>102,0m</b>	<b>38,0m</b>	<b>37,0m</b>	<b>48,0m</b>	<b>11,4m</b>	<b>11,4m</b>
<b>Spending on maintenance to ensure no new backlogs (R000)</b>	34,0m	5,5m	5,0m	24,0m	5,7m	5,7m
<b>Road maintenance backlogs</b>						
<b>Backlogs to be eliminated (n0. HH not receiving the minimum standard service)</b>	62,0m	4,5m	4,5m	57,5	7,2m	7,2m
<b>Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)</b>						
<b>Spending on new infrastructure to eliminate backlogs (R000)</b>	62,0m	4,5m	4,5m	57,5m	7,2m	7,2m
<b>Spending on renewal of existing infrastructure to eliminate backlog (R000)</b>	3,0m	3,0m	2,7m	4,2m	4,2m	1,5m
<b>Total spending to eliminate backlogs (R000)</b>	<b>127,0m</b>	<b>12,0m</b>	<b>11,7m</b>	<b>118,6m</b>	<b>18,6m</b>	<b>15,9m</b>
<b>Spending on maintenance to ensure no new backlogs (R000)</b>	3,0m	3,0m	2,7m	4,2m	4,2m	1,5m
<b>Refuse removal</b>						
<b>Backlogs to be eliminated (n0. HH not receiving the minimum standard service)</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)</b>	7, 993 194	NIL	NIL	NIL	NIL	NIL
<b>Spending on new infrastructure to eliminate backlogs (R000)</b>	18, 307521	NIL	NIL	NIL	NIL	NIL
<b>Spending on renewal of existing infrastructure to eliminate backlog</b>	NIL	NIL	NIL	NIL	NIL	NIL

<b>(R000)</b>						
<b>Total spending to eliminate backlogs (R000)</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>Spending on maintenance to ensure no new backlogs (R000)</b>						
<b>Housing and town planning</b>						
<b>Backlogs to be eliminated (n0. HH not receiving the minimum standard service)</b>	50,0m	18,6m	10,5m	50,0m	38,5m	0,0m
<b>Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>Spending on new infrastructure to eliminate backlogs (R000)</b>	50,0m	18,6m	10,5m	50,0m	38,5m	0,0m
<b>Spending on renewal of existing infrastructure to eliminate backlog (R000)</b>	1,2m	0,9m	0,5m	1,3	1,0m	0,0m
<b>Total spending to eliminate backlogs (R000)</b>	<b>101,2m</b>	<b>38,1m</b>	<b>21,5m</b>	<b>101,3m</b>	<b>78,0m</b>	<b>0,0m</b>
<b>Spending on maintenance to ensure no new backlogs (R000)</b>	1,2m	0,9m	0,5m	1,3	1,0m	0,0m

## CHAPTER 3: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

### 3.1 Brief presentation of LED strategy/plan

The Gariep LED Plan was developed and approved by council in November 2009. In terms of the National LED Framework, it seeks to achieve the following;

- Provide direction to the LED unit
- To emphasize the role of the entire municipality and other stakeholders in terms of LED
- To set LED targets that are aligned to national and provincial priorities
- Coordinate efforts of private and public sector stakeholders in LED
- To inform the municipalities IDP (as the LED Plan is a sector plan of the IDP)

The objective of the LED Plan is therefore to identify economic potential in the Gariep Local Municipality and develop a plan of action to exploit these opportunities.

Gariep LED Plan has its mission aligned to the Municipal vision aiming at **“Creation of a conducive environment for an improved quality of life for all”** and a mission striving at

**“Fighting poverty by creating opportunities for employment, stimulating entrepreneurial spirit, thus encouraging self-employment and reliance”**

**Objectives**

Six objectives in relation to Local Economic Development, namely:

- Grow the economy by increasing the average economic growth rate to 1.5% between 2010 and 2014, and by 3% year-on-year from 2014 onwards.
- Increase the Gariep Local Municipalities capital expenditure budget for key LED infrastructure; particularly roads, electricity and water; by 5% annually.
- Reduce the unemployment rate by 10% by 2014, through the creation of new and expanded job opportunities.
- By 2010 provide funding for the establishment of an SMME help desk within the Gariep Municipality, to be operational by 2011.
- Increase the number of positions filled in the Community and Technical Services Department at the Gariep LM by 6% annually between 2009 and 2014.
- Ensure that by 2014 at least 10% of total procurement expenditure is spent on local suppliers.

**Strategic Pillars as envisaged in the LED Plan**

In order for the vision and objectives to be realised, it is essential that an environment conducive to growth be created. This involves activities that both tackle present constraints to development and initiatives boost economic activity. The Gariep LED Plan recommends that these actions be undertaken through the following strategic pillars:

- SMME Development and Support
- Infrastructure Prioritization
- Institutional Development
- Agriculture and Agro-processing Sector Development
- Tourism Sector Development
- Strategic Partnerships

Specific priority projects identified for implementation over the period of five year by all relevant parties include inter alia the following;

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**Priority Projects for a Five Year Implementation by different Parties**

1.	Feasibility study for agro-processing (i.e. abattoir, tannery, wool washing and spinning)	Funding proposal extended to Department of Economic Development and Environmental Affairs
2.	Lake !Gariep Initiative	In progress implemented by National Department of Tourism.
3.	Grading of accommodation establishments	Implemented by Eastern Cape Tourism Board
4.	Tourism training and awareness	District drives training and tourism awareness.
5.	Develop tourism route and attractions	No progress
6.	Fish farming in Venterstad	Venterstad Community Fishery was funded by

	Department of Social Development and needs huge injection to improve the scale of farming.
<b>7. Road and street maintenance and upgrading</b>	In progress under infrastructure development
<b>8. Skills Retention Strategy</b>	-
<b>9. Establish and Support LED forum</b>	Functional with LRED funding accessed through the forum and other parastatals utilising it as a platform to present incentives
<b>10. Satellite FET College in Steynsburg</b>	Conception stage and mainly driven by local residents and Department of Public Works and Department of Education.

The following diagram illustrates the organisational structure for the LED Unit:

The Municipality enjoys the availability of District Development agency which will be responsible for coordination LED anchor project

#	Position	Filled/ Vacant
<b>1</b>	LED Manager	Vacant
<b>2</b>	SMME Facilitator	Filled with the establishment of the SMME Helpdesk.
<b>3</b>	LED Assistant	Filled with the assistance from DLGTA (three year contract)

Joe Gqabi District Municipality possessed LED expertise through the sectoral coordinators and the appointment of the Economic Planner with the assistance from Department of Local Government and Traditional Affairs and Department of Trade and Industry. Other support is available from SALGA, DEDEAT and parastatals like SEDA, Eastern Cape Tourism Board and ECDC.

The diagram below is an illustration of the different stakeholder fora in existence and the frequency of sessions convened throughout the year.

Name of Forum	Purpose	Frequency of meetings	Meetings convened
<b>LED Forum</b>	This is a stakeholder committee consisting of representation of the different economic sector operating within the locality to harness all opportunities that may exist in the sector. Secondary membership consists of government departments & agencies. The forum is fully functional.	Quarterly	One session convened in the first quarter. The second could not sit due the directive from the MEC for Economic Development since its primary focus was the LRED Fund & its Policy
<b>Local Tourism association. (LTO) &amp;</b>	The LTO primarily focus on the tourism sector and it is fully functional with satellites in the three units.	Monthly	The last meeting was convened on 06/12/11 in Oviston (Venterstad)
<b>Emerging Farmers Association</b>	The structure consists of the association in all three units and	N/A	Meeting scheduled for 21/12/11 in Burgersdorp

	is currently not functioning well.		with the key focus on Siberia Farm and its occupants. Most challenges are experienced in the commonages.
<b>District Support Team (DST)</b>	This serves as an Intergovernmental Relations structure operating in the spectrum of economic development. This was implemented through Thina Sinako and is currently driven by DLGTA.	Bi-monthly in two structures (Ordinary DST & Extended DST)	Maletswai & Gariep hosted the meetings
<b>LAT (Local Action Team)</b>	Is supposed to serve the purpose which is currently performed by the LED Forum.	Not yet established within the JGDM.	

Many funding opportunities are available but the funding currently accessed come from DEDEAT (Municipal Support Grant Fund) and the focus for now is on the LRED Fund from DEDEAT as administrated by ECDC, The National Unemployment Fund and the Jobs Fund. Commitments from government departments for the first half of this fiscal year are: Department of Social Development (Poverty Alleviation Projects), Department of Agrarian Reform in the form of livestock and infrastructure improvement on specifically identified land, the livestock improvement programme and the establishment of piggeries in the three towns of Gariep Local Municipality. DSRAC & DOPW are also busy with infrastructure improvements in the local libraries and the Kruger College in Steynsburg.

### 3.2 Progress towards achieving the LED key objectives

#### a. Improve public and market confidence

The Gariep Spatial Development Framework was developed and approved in 2008/09 but requires to be reviewed ; an approved business plan has been submitted to Local Government & Traditional Affairs for review to take off in 2012/13 financial year. The municipality does not have a dedicated official to perform the tasks associated with this function.

With regard to tax workshops the municipality engaged SARS to ensure compliance from Council level down to SMMEs level. SEDA workshops for small businesses were conducted to assist with completion of tender document, business registration & trainings on business management & book keeping. Together with sector departments such as DSRAC local crafters have been successfully entered into the National Arts Festivals (Grahamstown & MACUFE)

The apartheid planning has impacted negatively on the implementation of a municipal zoning, a lack of available land for future development, lack of alignment of programmes in relation to liquor outlets and taverns and difficulty to implement the municipal by-laws.

Redtape reduction is still lagging behind especially in relation to procurement and the issuing of business licences because local suppliers are predominantly from the white communities and many delays occur in the issuing of licenses especially when EHP is involved. However the SMME Helpdesk is bringing about positive change because this office disseminates information to the general public, assists with business proposals, act as a link between local businesses, entrepreneurs, aspiring entrepreneurs and funding agencies, government departments, but in general play a facilitation role.

All by-laws are currently in draft form. In general, the provision of services and the maintenance of infrastructure is performed fairly well, however, as previously alluded, due to poor spatial planning and a lack of available land and proper zoning, the local authority experience difficulty in allocating land for things like taxi ranks and space for informal traders.

The municipality is in possession of an LED Plan but the necessary capacity and resources to implement and exploit available opportunities are not available. The municipality lack the following strategic documents ; Tourism Sector Plan, Agricultural Plan, Commonage Management Plan and are currently making use of the district sector plans.

#### **b. Exploit comparative and competitive advantage for industrial activities**

Gariep municipality possesses a strong comparative advantage in terms of agriculture with the main competitors being commercial farmers, Mega feeds, SA Premix, OVK & BKB. Agriculture has a high Location Quotient (LQ) as this sector is a significant employer in Gariep; it exports agricultural goods to other towns outside the Municipality. The municipality also enjoys a relative comparative advantage in the transport and communication sector (TELKOM & SABC Channels); and local construction sector.

The LQ for both the construction and transport and communication sectors has increased significantly since 2001.

Gariep has specific focus to improve local economic development stipulated below;

1. Build an EPWP component (labour intensive) in all our projects to ensure employment creating and skills transfer.
2. Encourage the use of local service providers in the municipal procurement systems through registrations on the supplier data bases of the municipalities within the district and all government departments.
3. Facilitate the necessary trainings and workshops through the SMME Helpdesk (business registrations, tax related matter, business management trainings, etc.
4. Active involvement in community based planning processes to identify all different types of assets and develop projects and programmes using local resources.( IDT Programme in Steynsburg)

5. Active involvement in IGR structures to ensure the flow of information to the benefit of the local community.
6. Policy development in terms of business attraction and retention strategies.( Rates policies, municipal tariffs, municipal by-laws, etc.)

### c. Intensify Enterprise support and business development

Type of Business	Type of Intervention	Name & number of beneficiaries
<b>Business Development Services</b>	SARS Tax Workshops	Personal income tax, business tax, Vat registration – SMME's & individuals.  Mobile Tax unit to assist with tax returns, registration and queries.
	SEDA Workshop	Contractors registration & training on tender documents
	Mpumelelo Initiative (JGDM & ECDC)	Supplier registration campaign with the possibility of qualifying for a loan from ECDC.
	Training (Mngcunube Development)	Training in Home based care with specific focus on cleaning for the affected individual = 50 people
	Training (Rural Development & Agrarian Reform & Road & Transport)	Piggery core training in Venterstad and training with emerging farmers – Stray animals
<b>Public Private Partnerships established</b>	The tourism Info centre can be viewed as a partnership between (JGDM, GLM & The Burgersdorp Museum). Other interventions are in the pipe line to start with the tourism (JL de Briun Dam & Teebus Resort) and a possible recycling project (GLM & local community).	Lake Gariep Dam Initiative ( Oviston resort ) awaiting legal advise.
<b>Number of SMME's established</b>	SPAR – After the closure of Food Zone.	Local people are employed at various levels (management to packers)
	Nunu's restaurant – Under new management	Local people are employed (kitchen staff & waiters)
	Establishment of the 2 <sup>nd</sup> black owned B&B in Mzamomhle.	
	Black own Take Away Shop in Steynsburg.	
	Data base developed for SMME's Improved access to information about	



	existing financial support, institutions and initiatives in the Gariep area.	
	Lobbied funding with financial institutions to improve lending conditions to SMMEs.	
<b>Number of new employment opportunities through EPWP interventions</b>	The Gariep Greening & Town Beautification Project	Employed 60 people through the project.
	The renovations to the Libraries (Venterstad & Burgersdorp Town Library)	Venterstad Library = 3 people Steynsburg Library - 5
	For more information please refer to section 3.3 below.	

#### d. Support Social investment program

Social Investment Programme	Total Number	Activities & Progress
<b>Cooperatives</b>	6	This figure is not indicative of cooperatives such as OVC, and applications that are still in process.
<b>Small Business Associations</b>	1/sector/town	Small business association, tourism organization, agricultural association, contractors association & cooperatives association.
<b>Women Associations</b>	Per town	Women Economic Empowerment Association, church associations, political leagues and sports clubs.
<b>Youth Associations</b>	Per town	Youth organizations, church, political & sports.
<b>Unemployment Database</b>	Employed = 27% Unemployed = 14,8% Not economically active = 57,9%	Research data is desktop info from Quantec (2009) as reflected in the IDP, LED Plan & Comparative & Competitive Advantage Plan

#### 3.3 Annual performance as per key performance indicators in LED

Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
<b>1</b> Percentage of LED Budget spent on LED related activities.	0 % budget (only Opex)	N/A	N/A

<b>2</b>	Number of LED stakeholder forum held	Please refer to section 3.1	1 session in the first quarter.	50%
<b>3</b>	Percentage of SMME that have benefited from a SMME support program	90%	Challenges experienced in terms of funding.	0%
<b>4</b>	Number of job opportunities created through EPWP	Please refer to the table below	Construction & rectification of various housing project	50%
<b>5</b>	Number of job opportunities created through PPP	None	N/A	N/A

The following table indicate the number of jobs created through various project with the inclusion of an EPWP component:

Project Name	2010/11 Financial Year (Mid-Year)						Wages/person
	July	August	Sept	Oct	Nov	Dec	
<b>Burgersdorp Electrification Project</b>	27	27	-	-	-	-	2392, 20/person /month
<b>JL de Bruin Dam Resort (phase 2)</b>	-	-	-	-	-	-	No activity during this fiscal year
<b>Greenfields Access Road</b>	57	57	57	57	-	-	20 labour days @R100/day
<b>CWP</b>	1000	1000	1000	1000	1000	1000	2 labour days/week @ R60/day

### 3.4 Challenges regarding LED strategy implementation

LED Challenges	Remedial Actions
<b>Lack of capacity and resources</b>	Advertising the position of LED Manager. Enrolling the SMME Facilitator for an LED NQF5 Learnership.
<b>Lack of sector plans in the following sectors: Tourism, Agriculture, Commonage Management, SMME &amp; Cooperatives</b>	Currently using the JGDM' Strategies in the aforementioned areas. Other remedial actions include engaging Government Departments for assistance, elevating these constraints to DST level. The fact that the municipality has been identified as a MISA Municipality will contribute positively in

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addressing these challenges.

**Low level streams to allow LED departmental budget to implement LED initiatives**

Continuously source funding from outside funders and employ all available capacity exploit funding opportunities as presented.

## **Chapter 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)**

### **4.1 The audited financial statements**

The financial statements or the consolidated financial statements are attached for ease of reference.

### **4.2 Budget to actual comparison**

The approved adjustment budget for the year 2010/2011 shows the Budgeted Revenue of R85 461 076 and the Budgeted Expenditure of R85 461 076.

However, the actual revenue for the year amounted to R85 523 276 as compared to the R66 875 884 of 2009/2010 financial year, and the actual expenditure of R73 470 833 as compared to R100 575 300 of 2009/2010 financial year.

It is clear that the municipality managed to raise more revenue in the 2010/2011 as compared to what was budgeted, and it is also clear that the expenditure for the same year was less than what was originally budgeted.

The main reasons for the difference between the actual revenue raised and the budgeted revenue are the following revenue line items:

Details	Budget	Actual	Variance	Reason
Property Rates	R6.5m	R9m	R3.5m	Implementation of MPRA & credit policy
Grants & Subsidies	R25.3m	R38.8m	R13.3m	Multiyear funding and appropriations by government dept. after the adjustment budget
Service Charges	R38.7m	R21.7m	-R17m	Line losses, under collection and increasing number of indigent consumers

The following expenditure line items are but some of the reasons for under expenditure:

Details	Budget	Actual	Variance	Reason
<b>Personnel</b>	R33.3m	R30.7m	R2.6m	Not all positions in the staff establishment were filled
<b>Remuneration to councillors</b>	R2m	R1.8m	R200k	The percentage increase for remuneration of councillors was less than what was provided for in the budget
<b>General Expenses</b>	R31.9m	R19.m	R12.9m	Cash flow challenges

The annual financial statement shows the Provision of a narrative explanation of the variances in respect of actual income and expenditure when compared to the budget. This comparison must be done against the original budgeted or budget adjustment figures (as approved by council in the budget resolution) as this was the basis for consultation with stakeholders and used to justify the rates and charges raised.

### 4.3 Grants and transfers' spending

Grant details			1/04/ to		01/07 to		01/10 to 30/12		01/01 to 30/03		Total	
			30/06		30/09							
Project name	Donor name	BF amount	Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent
Stynsburg Greenfields Access Roads	MIG	0	3m	336000	0	923000	3m	5.181m	2255000	1.815m	8.255m	8.255m
Burgersdorp Electrification Program	INEP	0	0	0	0	0	8m	4264636	0	886831	8m	5.151m
Greenfields Access Road	MIG	11 775 000	3 000 000	9 669 420	2 000 000	9 948 478	1 000 000	10 671 365	2 255 000	14 628 494	20 030000	17 014 381
Upgrade Electrification	INEP	10 000 000		3 216 896		7 465 125	6 000 000	9 676 431	2 000 000	12 431 670	18000000	12 986 635

Upgrade of	762	568	568
JL de Bruin dam	619	646	646

#### 4.4 Meeting of Donors' requirements in respect of conditional grants

Grant	Amount	Expected Conditions Met
1. Municipal Finance Management Grant	R1 200 000	Three Finance Interns were hired and the two remaining are being advertised to meet the required five
2. Municipal Systems Improvement Grant	R 500 000	
3. Municipal Infrastructural Grant	R 8 255 000	
4. Upgrading of Electricity	R 8000 000	

#### 4.5 Long term contracts entered into by the municipality

Company Name	Contract Date	Expiry Date	Contract Value
ABSA Vehicle Finance	2009/05/01	2014/04/01	3 341 613
SHARP Electronics	2008/07/01	2013/07/31	1 690 613
Records Control System	2009/01/01	2012/01/01	1 501 241
FINTECH	2008/05/29	2013/06/01	1 293 182
TELKOM	Lease of Equipment	16 Jan 2009	01 Jan 2014
Emergency Medical Services (EMS)	Lease of Property	01 Jan 2010	31 March 2012

DBSA

The municipality entered into a loan contract with DBSA in 2003 and the second on was in 2008. The loans are repaid on a monthly and bi-annual basis respectively.

Loan	Capital Payment	Interest
Loan1	24 302.71	3526.58
Loan 2	132 748.03	59 721.55

### Service Level Agreements

Department / Service Provider	Purpose	Duration
Department of Transport	Registration and Licensing Services of Motor vehicles Vehicle Testing Stations Driving License Testing Centres	Renewed yearly
Department of Sports , Arts & Culture	Provision of Library Service	Renewed Yearly
Department of Economic Development and Environmental Affairs	Feasibility study for Teebus Recreational Facility	One year
Joe Gqabi District Municipality	Implementation of Town Beautification and greening  J. I de Bruin	One Year
JGDM	IDP Funding	Annually
Department of Health	Provision of Primary Health Care Services.	One year
Makomota Investment Holdings	Internal Audit Services	
Red Landscaping Architects	Greening & Town Beautification	
Acete was appointed for the Development of an Special Programme Unit Strategy but the appointment was withdrawn because of the lack of cooperation and non consistence shown by the Service Provider	SPU Strategy	Cancelled

#### 4.6 Annual performance as per key performance indicators in financial viability

Indicator name		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	25.3m	38.8	153%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	33.3m	30.7m	92%
		Target set for the year (20% or less) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
3	Total actual trade creditors as a percentage of total actual revenue	31.9m	19.0m	59%
		Target set for the year (80% and more) R(000)	Achievement level during the year R(000)	Achievement percentage during the year
4	Total municipal own revenue as a percentage of the total actual budget	43.0m	39.2m	90%
		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
5	Rate of municipal consumer debt reduction	N/A	N/A	N/A
6	Percentage of MIG budget appropriately spent	750 000	352 711	47 %
7	Percentage of MSIG budget appropriately spent	5 255 000	7 065 903 Accruals from 2009/10 included	134 %

#### 4.7 The Audit committee functionality

The municipality has an audit committee constituted by three external independent professionals. Although it was reconstituted in April 2011, it really carried out very important work professionals expected to indicate how the Internal Audit Committee functions were carried out during the Financial Year. Recommendations of the Audit committee reports should be included in this

paragraph. The entire report should be part of the annexure. The municipality should indicate in what ways the recommendations of the audit committee were addressed.

#### 4.8 Arrears in property rates and service charges

	2011	2010
Trade Debtors	6 787 037	1 561 151

#### 4.9 Anti corruption strategy

- Policy has been developed and approved by Council
- The policy was adopted by council in the ordinary council meeting
- Awareness workshop are still to be conducted;
- The procedure manual for the policy is yet to be finalized;

## Chapter 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

### 5.1 Overview of the Executive and Council functions and achievements;

Executive Council	
Function	Achievements
Provision of a democratic and accountable government for all local communities	Continuous improvement on the provision of basic service delivery to all the communities. Working towards unqualified audit opinion
Provision of services to communities in a sustainable manner is ensured	Accelerating service delivery
Promotes social and economic development	Improved Credible Integrated Development Planning and Performance Management System
Promotes a safe and healthy environment	Healthy environment
Encourages the involvement of communities and community organisations in the matters of local government	Increased community participation in IDP processes
Standing Committee Council	
Function	Achievements



## 5.2 Public participation and consultation;

Public involvement is vital in municipal decision-making and planning processes. During the review period, the Municipality held IDP/Budget interactive sessions with the community and stakeholders, including special sessions held with ward committees as well as Community Based Planning, Mayoral Outreaches (annual performance feedback meetings) with communities. The issues identified in these sessions informed the municipal IDP and Budget programmes. Several of issues of concern to communities were raised during the Mayoral Outreaches in 2010/11 have been implemented in the following fashion;

- Engagements with Eskom pertaining to the electricity challenges are continuously being held. The municipality is of a view that the challenges on electricity would be best attended to once the municipality would be the sole service provider in Gariep area.
- The municipality advertised positions of General Workers charged with the Water and Sanitation duties.
- The municipality did recruit a Customer Care Official responsible to attend to community's needs. An additional Customer Care Official position has been advertised to assist the Municipal Manager's Office.

In 2010/11 a Presidential Hotline System was introduced for promotion of accountability, transparency and giving feedback to communities on service delivery hindrances; the system is operated by the municipal Public Participation Manager; a Customer Satisfaction Officer was also recruited with the mandate to merge issues accruing from the communities and those from the municipality.

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### Council, Special and Committee Meeting

2010/2011

No	Date	Meeting
<b>A. COUNCIL MEETING</b>		
1.	17 August 2010	Ordinary Council
2.	14 October 2010	Ordinary Council
3.	15 December 2010	Ordinary Council

4.	20 April 2011	Ordinary Council
<b>B. SPECIAL COUNCIL MEETING</b>		
1.	31 August 2010	Special Council
2.	29 October 2010	Special Council
3.	05 November 2010	Special Council
4.	04 February 2011	Special Council
5.	14 February 2011	Special Council
6.	28 February 2011	Special Council
7.	31 March 2011	Special Council
8.	16 May 2011	Special Council
9.	31 May 2011	Special Council
<b>C. Council in Committee</b>		
1.	29 October 2010	Council in committee
2.	05 November 2010	Council in committee
3.	16 May 2011	Council in committee
<b>D. Committee Meetings</b>		
1.	13 December 2010	IDP, Finance and Human Resource Committee
2.	13 December 2010	Community and Technical Services Committee
3.	03 February 2011	IDP, Finance and Human Resource Committee
4.	03 February 2011	Community and Technical Services Committee
5.	29 March 2011	IDP, Finance and Human Resource Committee
6.	29 March 2011	Community and Technical Services Committee

### 5.3 Ward committees' establishment and functionality

The Municipality operated with the established Ward Committee System. During the period under review, all four wards had Ward Committees in place. However, towards the end of the review period, with the instructions of the Mayor/Speaker the policy of the ward committee was developed and a workshop held with all the members of the ward committee. In all our wards, ward committees were functional. Meetings of Ward Committee meetings were satisfactory. Although these public participation blocks that is Ward Committee members are faced in as far as allocation office stationery to assist them in performing their duties. Ward Committee members for the term

under review underwent training, so as to perform their functions diligently. The following are matters that were resolved to be given to the Ward committees members to understand their roles;

- Leadership Skills
- Problem Solving
- Role of Ward Committees
- Rules and Procedures
- How the Municipality Functions
- Relationship of Ward Committees and Council, and
- Basics on Batho Pele.

Ward Committees are required to submit monthly reports to their Ward Councillors, who also serve as chairperson of the Ward Committee on their day-to-day activities. The reports are submitted not as frequently as required, thus it was put forward that work of the ward committees done would determine their allowances payments. Minutes and attendance registers are available for further reference.

#### **5.4 Community Development workers performance monitoring**

The Community Development Workers are appointed as government agents for change. There were four Community Development Workers within Gariep Local Municipality. The one from Venterstad has since been dismissed and the Municipality is still to be allocated the Community Development Worker for Venterstad. Municipality has allocated an office for the operations of the Community Development Workers. A challenge is around the co-ordination and control as well as accountability of Community Development Workers to the Municipality; however they are visible in all municipal operations and IDP processes. To date the municipality and the province (DLGTA) has signed and developed the Memorandum of Understanding (MoU) so as to effectively implement a framework on the utilisation of community development workers by the three spheres of government.

#### **5.5 Communication strategy**

In the year under review the Council did not have a Communication Policy or strategy. There was no incumbent to discharge the responsibilities earmarked for Communications Unit. The Office of the Municipal Manager took full responsibility in undertaking communication. Furthermore, the person that was appointed as a communications officer resigned and the municipality has since went out for recruitment as there's a provision for a structured process in the organogram.

The purpose of the Communications Strategy is to ensure that all communications initiatives in the Gariep Local Municipality are well coordinated, integrated and focused.

The strategy is being designed at the end of the Financial Year. It is going through all the Council processes to be adopted. The intention is to budget for a Communications Unit as one of the mere existences of Council is based on the mandate by the communities. They must at all times be informed about the activities of the municipality. As when the strategy is developed it would be encapsulate the following matters;

## 5.7 Intergovernmental Relations

The municipality is a member of a Technical Task Group on IGR at the District level where all municipalities of our size, the district and the sector departments meet and advise the District Mayoral Forum (DIMAFO), Municipal Member of executive council (Muni-Mec), on IGR matters. The Task group is composed of the clusters, namely governance, infrastructure & LED, safety & security, social and finance clusters. Each cluster has a convener and reports to the technical task group.

All the 3 spheres of government work together to achieve the implementation of outcomes such as Local Government Turnaround Strategy (LGTAS), Integrated Development Plan (IDP), Operation Clean Audit (OPCA), performance issues, contracts and agreements on service delivery. At municipal level there are representatives forums held on quarterly basis, political outreaches on quarterly basis, and Community Based Planning (CBP) annually, last but not least sector departments engagements.

With the assistance of LGTA and the District municipality all IGR meetings indicated above were organised and progressed well. (Refer to dates indicated by the Process Plan under IDP 2010/11)

## 5.8 Legal matters

### 5.8.1 Setting up of Legal Units

The legal unit has not yet been set.

#### 5.8.1 Management of litigation

1. Case Load Management with specific reference to:

##### a. Favourable cases

Case name	Recovery (yes/No)	Reasons for non recovery
Johan Heunis vs Gariep Municipality	No	The CCMA confirmed the dismissal and but the criminal charges were withdrawn by the court, citing the need for further investigation

##### b. Unfavourable cases

Case name	Compliance with judgement (yes/No)	Reasons for non compliance with judgement
N/A		

### 1. Case age analysis,

Case name	Nature of the case	Date of commencement	Cases of 2 years or below	Cases beyond 2 years	Reasons for extensive duration
N/A					

### 2. Default judgements

Case name	Reasons for default judgement
Gariep vs Umnga Farmers	The process employed to obtain the default judgement was defective in many respects; including that it did not give sufficient days to file opposing notice. For that reason, it was rescinded by the same court.

### 3. Criminal matters emanating from corruption and fraud Steynsburg cash June 2011

### 4. Management of Legal Risks

The municipality has the Risk Management Policy that is in place; however the policy is set to be reviewed in February 2012 for it does not address the management of legal risk.

## PART 3- FUNCTIONAL AREAS REPORTING AND ANNEXURE

### A: FUNCTIONAL AREA SERVICE DELIVERY REPORTING

#### 1. General information (population statistics)

GARIEP LOCAL MUNICIPALITY GENERAL INFORMATION			
Reporting Level	Detail	Total	
Overview:	Gariep Local Municipality covers an area of 8,922.2km <sup>2</sup> and has three main towns namely Burgersdorp, Steynsburg and Venterstad. According to the Community Survey the revised estimates show the population of approximately 23,709. There are 3,874 people employed (26.64% of the population) compared to 25% in the district & 29% in the province. During the 2010/11 financial year the municipality received Vuna Awards, credible IDP, improved		

	infrastructure & service delivery. Following the May elections the number of Councillors increased from 8 to 10 and the wards from 4 to 5.		
Information:			
1	Geography: Geographical area in square kilometres Note: Indicate source of information	<total>	8,922.2 Km2 Census 2001
2	Demography: Total population Note: Indicate source of information	<total>	23709 Community Survey 2007
3	Indigent Population Note: Indicate source of information and define basis of indigent policy including definition of indigent	<total>	70% Indigent policy
4	Total number of voters	<total>	9496
5	Aged breakdown: - 65 years and over - between 40 and 64 years - between 15 and 39 years - 14 years and under Note: Indicate source of information	<total> <total> <total> <total>	Unknown Unknown Unknown N/A IEC Local Office
6	Household income: - over R3,499 per month - between R2,500 and R3,499 per month - between R1,100 and R2,499 per month - under R1,100 per month Note: Indicate source of information	<total> <total> <total> <total>	363 200 373 3574 Community Survey 2007

## 2. Finance and Administration function's performance

<b>Function:</b>	<b>Finance and Administration</b>		
<b>Sub Function:</b>	<b>Finance</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
Overview:	Includes all activities relating to the finance function of the municipality. Note: grants information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> .		

Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes:</p> <p><i>Budget and Reporting</i>  <i>Revenue Management</i>  <i>Supply Chain Management</i>  <i>Expenditure Management</i></p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which resides within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p>&lt;List here&gt;</p> <p>The strategic objectives of this function are to:</p> <p><i>Improvement in the financial viability and Financial Management</i></p> <p>The key issues for 2010/11 are:</p> <p><i>BUDGET AND REPORTING</i>  <i>Compliance in the preparation of the budgets (Annual and adjustment budgets)</i>  <i>Preparation and submission of reports timeously before due date (monthly, quarterly, mid-term and annual)</i>  <i>Ensure that all the necessary information and documents are available for the preparation of annual financial statements and that they are submitted on time.</i></p> <p><i>REVENUE MANAGEMENT</i>  <i>Determine the budget tariffs</i>  <i>Provide consistent accurate billing of accounts</i>  <i>Provide administrative and management support</i>  <i>Submit monthly revenue reports</i></p> <p><i>SUPPLY CHAIN MANAGEMENT</i>  <i>Review and implement supply chain management policies</i>  <i>Update supplier database</i>  <i>Warehouse management</i>  <i>Facilitate procurement of goods</i></p> <p><i>EXPENDITURE</i>  <i>Monitor expenditure patterns</i>  <i>Reconciliation and payment of creditors</i>  <i>In-year monitoring expenditure report</i>  <i>Submit monthly expenditure reports</i></p>		
Analysis of the Function:	<p>1 Debtor billings: number and value of monthly billings:</p> <p><i>Electricity</i>  <i>Water</i>  <i>Sanitation</i>  <i>Refuse</i></p> <p>- Number and amount billed each month across debtors by function (eg: water, electricity etc) and by category: Government, Business, Residents and Indigents  Note: create a suitable table to reflect monthly billed and received (against billed) across debtors by function (eg: water, electricity etc) and by category</p> <p>2 Debtor collections: value of amount received and interest:</p> <p><i>Electricity</i></p>	<p>&lt;total&gt;</p> <p>&lt;number&gt;</p> <p>R (000s)</p> <p>R (000s)</p>	<p>R (000s)</p> <p>&lt;total&gt;</p> <p>12 929 4 038 2 538 2 250 21 755</p> <p>&lt;total&gt;</p>

	Water Sewerage Refuse	2 211 1 042 1 052 13 439	3 776
	- Value received from monthly billings each month and interest from the previous month across debtors by function (eg: water, electricity etc) and by category: Government, Business, Residents and Indigents Note: create a suitable table to reflect amount received from that month's billings plus interest from the previous month across debtors by function and by category		
3	Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:	R (000s)	
	Electricity Water Sewerage Refuse	25 213 15 006 9 592 7 791	
	- Total debts outstanding over 30, 60, 90 and 120 plus days across debtors by function (eg: water, electricity etc) and category Note: create a suitable table to reflect debts outstanding over 30, 60, 90 and 120 plus days across debtors by function and category	57 600	
4	Write off of debts: number and value of debts written off:		R (000s)
	- Total debts written off each month across debtors by function (eg: water, electricity etc) and category Note: create a suitable table to reflect write offs each month across debtors by function and category	-	-
5	Property rates (Residential):		R (000s)
	- Number and value of properties rated	<number>	<value>
	- Number and value of properties not rated	<number>	<value>
	- Number and value of rate exemptions	<number>	<value>
	- Rates collectible for the current year		<value>
Reporting Level		Detail	
		Total	
6	Property rates (Commercial):		R (000s)
	- Number and value of properties rated	<number>	<value>
	- Number and value of properties not rated	<number>	<value>
	- Number and value of rate exemptions	<number>	<value>
	- Rates collectible for the current year		<value>
8	Property valuation:		
	- Year of last valuation	2008	
	- Regularity of valuation	4yrs	
9	Indigent Policy:		
	- Quantity (number of households affected)	6 122	
	- Quantum (total value across municipality)	<value>	
10	Creditor Payments:	R (000s)	
	<List creditors here>	<value>	<age>
	Note: create a suitable table to reflect the five largest creditors individually, with the amount outstanding over 30, 60, 90 and 120 plus days		
11	Credit Rating:	R (000s)	
	<List credit rating details here>	<value>	<date>
	List here whether your Council has a credit rating, what it is, from whom it was provided and when it was last updated		
12	External Loans:	R (000s)	R (000s)
	- Total loans received and paid during the year	<received>	<paid>



	Note: Create a suitable table to reflect the balance of each external loan at the beginning of the year, new loans raised during the year and loans repaid during the year as well as the balance at the end of the year. Interest rates payable on each loan, together with the date of repayment should be also disclosed in the table.		
13	Delayed and Default Payments: <List delayed and default payments here>	<value>	<date>
	List here whether Council has delayed payment on any loan, statutory payments or any other default of a material nature		
	Note: This information need not be reported here if reported as notes to the accounts.		

<b>Function:</b>	<b>Finance and Administration</b>	
<b>Sub Function:</b>	<b>Finance</b>	

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the finance function of the municipality. Note: grants information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> .		
Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes:</p> <p>&lt;List administration of each function here: this should detail what is offered, and how it is offered to the community&gt;</p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which resides within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p>&lt;List here&gt;</p> <p>The strategic objectives of this function are to:</p> <p>&lt;List here&gt;</p> <p>The key issues for 200X/0Y are:</p> <p>&lt;List here&gt;</p>		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Debtor billings: number and value of monthly billings:		R (000s)
	Function - <list function here eg: water, electricity etc>	<total>	<total>
	- Number and amount billed each month across debtors by function (eg: water, electricity etc) and by category: Government, Business, Residents and Indigents	<number>	<value>
	Note: create a suitable table to reflect monthly billed and received (against billed) across debtors by function (eg: water, electricity etc) and by category		

2	Debtor collections: value of amount received and interest: Function - <list function here eg: water, electricity etc> - Value received from monthly billings each month and interest from the previous month across debtors by function (eg: water, electricity etc) and by category: Government, Business, Residents and Indigents Note: create a suitable table to reflect amount received from that month's billings plus interest from the previous month across debtors by function and by category	R (000s) <total> <received>	R (000s) <total> <interest>
3	Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days: Function - <list function here eg: water, electricity etc> - Total debts outstanding over 30, 60, 90 and 120 plus days across debtors by function (eg: water, electricity etc) and category Note: create a suitable table to reflect debts outstanding over 30, 60, 90 and 120 plus days across debtors by function and category	R (000s) <total>	
4	Write off of debts: number and value of debts written off: - Total debts written off each month across debtors by function (eg: water, electricity etc) and category Note: create a suitable table to reflect write offs each month across debtors by function and category	<number>	R (000s) <value>
5	Property rates (Residential): - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year	<number> <number> <number>	R (000s) <value> <value> <value>
Reporting Level	Detail	Total	
6	Property rates (Commercial): - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year	<number> <number> <number>	R (000s) <value> <value> <value>
8	Property valuation: - Year of last valuation - Regularity of valuation	<year> <cycle>	
9	Indigent Policy: - Quantity (number of households affected) - Quantum (total value across municipality)	<total> <value>	
10	Creditor Payments: <List creditors here> Note: create a suitable table to reflect the five largest creditors individually, with the amount outstanding over 30, 60, 90 and 120 plus days	R (000s) <value>	<age>
11	Credit Rating: <List credit rating details here> List here whether your Council has a credit rating, what it is, from whom it was provided and when it was last updated	R (000s) <value>	<date>
12	External Loans: - Total loans received and paid during the year Note: Create a suitable table to reflect the balance of each external loan at the beginning of the year, new loans raised during the year and loans repaid during the year as well as the balance at the end of the year. Interest rates payable on each loan, together with the date of repayment should be also disclosed in the table.	R (000s) <received>	R (000s) <paid>

13	Delayed and Default Payments:		
	<List delayed and default payments here>	<value>	<date>
	List here whether Council has delayed payment on any loan, statutory payments or any other default of a material nature		
	Note: This information need not be reported here if reported as notes to the accounts.		

### 3. Planning and Development function's performance

<b>Function:</b>	<b>Planning and Development</b>		
<b>Sub Function:</b>	<b>Economic Development</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
Overview:	The Municipality currently has Local Economic Development structurally placed at Community services. Development planning division is lagging behind in terms of inclusion of land surveying, land administration, architectural work. Community planning is yet to be organised to have settlement planning, landuse management , forward planning and spatial development planning.		
Description of the Activity:	The function of economic planning / development within the municipality is administered as follows and includes:		
	<p>&lt;List administration of each function here: this should detail what is offered, and how it is offered to the community&gt;</p> <ul style="list-style-type: none"> <li>• SMME Development and Support</li> <li>• Infrastructure Prioritization</li> <li>• Institutional Development</li> <li>• Agriculture and Agro-processing Sector Development</li> <li>• Tourism Sector Development</li> <li>• Partnership Development</li> </ul>		
	<p>The municipality has a mandate to:</p> <p>Carry identified projects in the LED Plan through to the local municipalities Integrated Development Plan</p> <p>Create an enabling environment conducive to investment</p> <p>Lobby for resources to support Local Economic Development</p> <p>Coordinate, manage and facilitate LED planning.</p> <p>Monitor and evaluate the LED Plan.</p> <p>Targeted for implementation were the following :</p> <ul style="list-style-type: none"> <li>• Feasibility study for Teebus recreational facility</li> </ul>		

	<ul style="list-style-type: none"> <li>Development of tourism information office with the assistance of the District</li> <li>Implementation of J.L De Bruin Project.</li> <li>Lobbying for the development of commonage management plan to ensure food security</li> <li>Fostering of partnership agreements with other municipalities</li> </ul>		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Number and cost to employer of all economic development personnel:	2	
	- Professional (Directors / Managers)	1 Community Service Director	
	- Non-professional (Clerical / Administrative) SMME Facilitator	None	
2	SMME Facilitator	1	
	- Temporary	None	
3	- Contract (LED Assistant)	1	
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	1	
4	Detail and cost of incentives for business investment:	None	R (000s)
5	Note: list incentives by project, with total actual cost to municipality for year		
	<ul style="list-style-type: none"> <li>J.L De Bruin</li> <li>Electrification Project</li> <li>Town Beautification and Greening Project</li> <li></li> </ul>		
6	Detail and cost of other urban renewal strategies:	None	R (000s)
	Note: list strategies by project, with total actual cost to municipality for year		
	Note: list strategies by project, with total actual cost to municipality for year	See above	
6	Number of people employed through job creation schemes:	See above	
	- Short-term employment	See above	
	- Long-term employment	See above	
	Note: total number to be calculated on full-time equivalent (FTE) basis, and should only be based on direct employment as a result of municipal initiatives		
	Number and cost to employer of all Building Inspectors employed:	None	R (000s)
	- Number of Building Inspectors	None (Advertised)	<value>
	- Temporary	None	
	- Contract	None	
	Note: total number to be calculated on a full-time equivalent (FTE) basis, total cost to include total salary package	N/A	
	Details of building plans:		
	- Number of building plans approved		

	- Value of building plans approved	<value>	
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
	Note: Figures should be aggregated over year to include building plan approvals only		
7	Type and number of grants and subsidies received:		R (000s)
	DEDEA (LED Projects) Feasibility study for the recreational facility	R500 000	R250 000
	Note: total value of specific planning and development grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.	R500 000	

4. Community and social services function's performance

<b>Function:</b>	<b>Community and Social Services</b>	
<b>Sub Function:</b>	<b>All inclusive</b>	

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of community and social services		
Description of the Activity:	<p>The function of provision of various community and social services within the municipality is administered as follows and includes:</p> <p><i>Community services division offers a range of service which include but not limited</i></p> <ul style="list-style-type: none"> <li>• Library services</li> <li>• Public Safety &amp; Traffic Services</li> <li>• Management of Halls, sports facilities &amp; Cemeteries</li> <li>• Management of Municipal buildings</li> <li>• Development and Maintenance of parks and resorts</li> <li>• Waste Management</li> <li>• Primary Health Care Services</li> </ul>		
Analysis of the Function:	<Provide statistical information on (as a minimum):->	no of facilities	no of users
	Nature and extent of facilities provided		
	<p><b>- Library services</b></p> <p>Gariep operates six libraries that are open Monday to Friday with the support from the Department of Sports , Recreation , Arts and Culture. Five of them have been renovated and upgraded by Department of Public Works at a total value of approximately 3.5 Million.</p>	6	Membershi p for all libraries combined ranges at 5365.
	<b>- Museums and art galleries</b>	-2	2200 adults

	Burgersdorp Museum is privately owned and funded by the Department of, Sports, Recreation, Arts and Culture.		912 pupils
	Cemeteries and crematoriums Out of 13 cemeteries there are six currently active and 7 closed	13	542 grave sites issued
	- Other community halls/facilities	- 10 halls - 2 resorts	367 bookings
	- Aged care (including aged homes, home help) These facilities are run and subsidized by the Department of Social Development	2 Old age homes. 2 service centres	
	- Schools	23 primary schools 4 secondary 4 combined	
	- Sporting facilities (specify)	9 sports facilities	41 bookings
	- Parks	5 Parks(n	
	<i>Note: the facilities figure should agree with the assets register</i>		
2	Number and cost to employer of all personnel associated with each community services function: - Library services - Museums and art galleries (Privately owned)  - Other community halls/facilities /Sporting facilities - Cemeteries and crematoriums - Child care - Aged care (Subsidized by Department of Social Development) - Schools (Dept of Education facilities)  - Parks and Recreation - Traffic Services -  Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		R(000s)
		Privately owned	R658,616 Privately owned
		<total>	R840,901
		<total>	<cost>
		<total>	<cost>
		None	<cost>
		<total>	R1,289,364
			R1,296,613
6	Total operating cost of community and social services function		R8,289,779

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Provision of Primary Health Care Services	An integrated package of essential primary health care services is available in all six clinics focusing on Provide T. B Control. These services were provided by a total of 13 professional nurses including Department  1. Implement Comprehensive Primary Health Care Services in accordance with the minimum norms and standards. 2. Secure funding for Thembisa Clinic and Venterstad Centre of Excellence (24 hour service) 3. Ensure good governance 4. Ensure proper drug management and supply	Obstetric services secured and 31 cases attended. 6 clinic committees functional 7 Standard operating procedure developed for drug management	
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target

<i>Public Safety &amp; Traffic service</i>	<p>overall purpose of this sub directorate is the promotion of road traffic safety and to discourage road traffic contraventions, to support the prosecution of offences in terms of the national and provincial laws, to enforce penalties imposed against persons contravening road traffic laws through warrants, to undertake community education and community awareness programs in order to ensure that individuals receive the services provided and general crimes supporting road safety awareness programs.</p> <p>The major key functional areas include interalia these programmes</p> <p>Ensure compliance of Driving License Testing Centres</p> <p>Burgersdorp DLTC not in compliance with the norms and standards</p> <p>Shortage of examiners in the inception phase of the e-Natis system</p> <p>-</p>	<b>Three management representative appointed to manage the DLTC's</b>	
	Registration and Licensing	Burgersdorp)23355 (Steynsburg)3002 (Venterstad)2235	
	Vehicle Registration and Licensing	242 Tested and pass	
	Crime prevention and advocacy	Junior Traffic Testing Centre was supposed to be handed over April 2011 Department of Transport.  Local Transport Forum was active.  Awareness campaigns on road safety implemented	
	Traffic Law enforcement and information	170 tickets issued & 16 warrants of arrests	
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Pound Management</i>	The Municipal pound in Burgersdorp does not meet the required standards as per the SPCA Regulations and the by-law, dealing with the impounding of stray animals, should be enforced. The municipality will train staff to carry out this function by capitalising on existing internal human capacity. A shelter will be used in Venterstad and Steynsburg to impound stray animals as a interim measure until they can be transported to the Burgersdorp pound.	Partnership agreement has been formed with Lukhanji Pound and the Department of Transport to pound stray animals on the road. 20 were impounded  Site identified in Burgersdorp.	

	Lobby for the upgrading of the pound and implement by-law dealing with stray animals.	Identification of a suitable site to impound animals in Steynsburg and Venterstad.	
<b>Key Performance Area</b> <ul style="list-style-type: none"> <li>Approved Disaster management policy frameworks and plans (Metro and DM)</li> </ul>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b> <p>The Disaster Satellite Office is functional, but with limited staff. One volunteer has been trained in Fire Fighting Level 1 and First Aid Levels 1 &amp; 2 by the District Disaster Management Unit.</p>	<b>Current</b> <p>Personnel and councillors of Gariep have been trained in Disaster Risk Reduction. Joe Gqabi District Municipality provides fire fighting equipment and Gariep Municipality makes use of up to 3 volunteers for this function. At present 3 junior fire fighters have been appointed. Two are based in Steynsburg and one in Burgersdorp and is currently on a 6 month Learnership program (fire and engineering).</p>	<b>Target</b>

#### 4. Waste management function's performance

<b>Function:</b>	<b>Waste Management</b>
<b>Sub Function:</b>	<b>Solid Waste</b>

Reporting Level	Detail	Total
Overview:	The Municipality focuses on waste removal ,(collection and transportation) , street cleansing and waste deposal services relatively in compliance with National and Provincial Norms and Standards. The other focus areas include inter alia management of landfill sites, combating illegal dumping , creation of awareness and education on waste management and lastly recycling although still on a small scale.	
Description of the Activity:	The refuse collection functions of the municipality are administered as follows and include:	



	<p>Waste Management Services is headed by the manager Community Services , Assistant Manager and Waste Management Officer , supervisor for each town and general workers. Further to that the following resources have been implored to enable the section to perform the function 3 supervisors under waste management based in three units 29 general assistants under refuse removal section, street cleansing and landfill site management. There is no dedicated personnel and resourced dedicated for illegal dumping collection.</p> <p><b>Available equipment &amp; Resources</b></p> <p>One TLB shared among two Departments and all three units 8 tractors with trailers which constantly require repairs( 2 functional) 2 kudu mowers, 4 edge cutters, 3 lawn mowers</p> <p><b>The strategic objectives of this function are to:</b></p> <ol style="list-style-type: none"> <li>1. Refuse collection and disposal</li> <li>2. Educational Programmes and awareness campaigns</li> <li>3. Landfill site operation and management</li> <li>4. Placement of receptacles(refuse bins and refuse bags)</li> <li>5. Recycling</li> </ol>	<p>Waste collected once a week in all households</p> <p>All schools in all three units have been educated in conjunction with DEDEA.</p> <p>Burgersdorp Landfill site scheduled for EIA in 2011/2012. 3 spotter appointed as casuals for all three landfill sites</p> <p>50 000 bags distributes to all households.</p> <p>Currently formalising all recyclers with the assistance of LED section.</p>	
Analysis of the Function:	<p><b>&lt;Provide statistical information on (as a minimum):&gt;</b></p> <ol style="list-style-type: none"> <li>1 Number and cost to employer of all personnel associated with refuse removal.</li> </ol> <ul style="list-style-type: none"> <li>-Waste Management Officer</li> <li>- Field (Supervisors/Foremen)</li> <li>- Office (Clerical/Administration)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Temporary</li> <li>- Contract</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>	<p>1</p> <p>3</p> <p>0</p> <p>23</p> <p>3</p> <p>0</p> <p>31</p>	R2,893,236

2	<p>Number of households receiving regular refuse removal services, and frequency and cost of service:</p> <ul style="list-style-type: none"> <li>- Removed by municipality at least once a week</li> <li>- Removed by municipality less often</li> <li>- Communal refuse dump used</li> <li>- Own refuse dump</li> <li>- No rubbish disposal</li> </ul> <p>Note: if other intervals of services are available, please provide details</p>	<p>8977</p> <p>None</p> <p>71 unauthorised</p> <p>None</p> <p>None</p>	<p>&lt;cost&gt;</p> <p>&lt;cost&gt;</p> <p>&lt;cost&gt;</p>
3	<p>Total and projected tonnage of all refuse disposed:</p> <p>Domestic/Commercial</p> <p>Garden</p> <p>Note: provide total tonnage for current and future years activity</p>	<p>538620 tons per month</p> <p>673275 tons per month</p>	
4	<p>Total number, capacity and life expectancy of refuse disposal sites:</p> <p>- Domestic/Commercial (number)</p> <p>- Garden (number)</p>	<p>Gariep has five landfill site. Two closed, one licensed and two unlicensed .</p> <p>Remaining life expectancy for the Steynsburg landfill site is 13 years.</p>	
Reporting Level	Detail	Total	
5	<p>Anticipated expansion of refuse removal service:</p> <ul style="list-style-type: none"> <li>- Domestic/Commercial</li> <li>- Garden</li> </ul> <p>Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality</p>	<p>40860 tons</p> <p>681 households</p>	
6	<p>Free Basic Service Provision:</p> <ul style="list-style-type: none"> <li>- Quantity (number of households affected)</li> <li>- Quantum (value to each household)</li> </ul> <p>Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.</p>	<p>5756 households</p> <p>Moderate</p>	
7	Total operating cost of solid waste management function.		R 7,993,194

5. Housing function's performance

Function: Housing

<b>Sub Function:</b>	<b>N/A</b>
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Reporting Level	Detail	Total	
Overview:	Includes all activities associated with provision of housing		
Description of the Activity:	<p>The function of provision of housing within the municipality is administered as follows and includes:</p> <p>The municipality is acting as the beneficiary municipality in a form of identifying the needs, avail land and also the facilitation role between the department and the communities within the municipal area.</p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which resides within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p><i>The municipality has the mandate of identifying the suitable land to be developed, and also to facilitate to process of application for the beneficiaries in the even whereby there is no service provider appointed to perform such task.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Ensure that all beneficiaries within the municipal jurisdiction which are in the suitable stage of benefiting from the housing development are given the opportunity to benefit.</i></p> <p>The key issues for 2010/11 are:</p> <ul style="list-style-type: none"><li><i>The challenge of bulk infrastructure to some area.</i></li><li><i>Capacity of the existing infrastructure e.g (WWTW, WTW)</i></li><li><i>Capacity of the available main source like Dams which are not big enough to accommodate any future development.</i></li></ul>		
Analysis of the Function:	<p><b>BURGERSDORP:</b></p> <p><b>JL DE BRIUN DAM</b> 1696000.00m<sup>3</sup></p> <p><b>DAM2</b> 1000000.00m<sup>3</sup></p> <p>1 Number and cost of all personnel associated with provision of municipal housing:</p> <p>- Professional (Architects/Consultants)</p> <p>- Field (Supervisors/Foremen)</p> <p>- Office (Clerical/Administration)</p> <p>- Non-professional (blue collar, outside workforce)</p> <p>- Temporary</p> <p>- Contract</p> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package. Professional includes project design, Field includes all tradespersons.</p> <p>2 Number and total value of housing projects planned and current:</p> <p>- Current (financial year after year reported on)</p> <p>- Planned (future years)</p> <p>Note: provide total project and project value as per initial or revised budget</p>	<p>R1,500,000</p> <p>R0,00</p> <p>R45,000</p> <p>R0.00</p> <p>R0.00</p> <p>R0.00</p> <p>R (350,000)</p> <p>24,480,000</p> <p>51,000,000</p>	<p>R4,166.67</p> <p>R0,00</p> <p>R125.00</p> <p>R0.00</p> <p>R0.00</p> <p>R0.00</p> <p>R (51,000,000)</p> <p>R68,000</p> <p>R76,119</p>

3	Total type, number and value of housing provided:		R (24,480,000)
	<i>In the current financial year, the municipality and the department has constructed 360 units in the area of Venterstad (Nozizwe)</i>	24,480,000	R68,000
	Note: total number and total value of housing provided during financial year		
4	Total number and value of rent received from municipal owned rental units		R (000s)
	<list details, including number of units handed over to residents>	<total>	<value>
5	Estimated backlog in number of (and costs to build) housing:		352,050,375
	<i>The total number of housing backlog in Gariep local municipality is 4625. This total number is made up of the following units. 1975 in Burgersdorp, 1970 in Steynsburg and 680 in Venterstad.</i>	352,050,375.00	R76,119
	<i>With the changes on the quantum for top structures, one cannot calculate the actual cost. The cost provided is based on the current quantum.</i>		
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
6	Type of habitat breakdown:		
	- number of people living in a house or brick structure	6818	
	- number of people living in a traditional dwelling	36	
	- number of people living in a flat in a block of flats	100	
	- number of people living in a town/cluster/semi-detached group dwelling	702	
	- number of people living in an informal dwelling or shack	310	
	- number of people living in a room/flatlet	944	
<b>Reporting Level</b>	<b>Detail</b>	<b>8910</b>	
7	Type and number of grants and subsidies received:		R (000)
	<i>On the housing side, there were no grants or funds that were transferred to the municipality. The department of human settlement is managing the grants.</i>	R0,00	R0,00
	Note: total value of specific housing grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
8	Total operating cost of housing function		R (000)

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Service Delivery and Infrastructure	<i>On the housing side, the municipality had a plan of completing 360 units in the area of Venterstad. The project which was started in 2008.</i> <i>In the current financial year only 120 units were outstanding.</i>	120	120

## 5. Waste water management

Function:	Waste Water Management
Sub Function:	Sewerage etc

Reporting Level	Detail	Total	Cost
Overview:	Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities		
Description of the Activity:	<p>The sewerage functions of the municipality are administered as follows and include:</p> <p><i>Gariep local Municipality is acting as the WSP on behalf of the District Municipality which is the WSA. The municipality is responsible for network and the district takes charge of the bulk infrastructure.</i></p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which resides within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p><i>Mandate for the maintenance of the existing network in terms of sewer and house connection.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Eradicate the bucket system in our areas, also to restore the human dignity by providing them with dissented waterborne sanitation system.</i></p> <p>The key issues for 2010/11 are:</p> <ul style="list-style-type: none"> <li><i>Delay in the construction of the WWTW in Steynsburg</i></li> <li><i>Rehabilitation of the existing oxidation ponds in Steynsburg</i></li> <li><i>Upgrading of the WWTW in Burgersdorp.</i></li> <li><i>Rehabilitation of the Pump station in Oviston.</i></li> </ul>		
Analysis of the Function:	<p><i>The statistical information for the sanitation infrastructure.</i></p> <p>1 Number and cost to employer of all personnel associated with sewerage functions:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants)</li> <li>- Field (Supervisors/Foremen)</li> <li>- Office (Clerical/Administration)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Temporary</li> <li>- Contract</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Number of households with sewerage services, and type and cost of service:</p> <ul style="list-style-type: none"> <li>- Flush toilet (connected to sewerage system)</li> <li>- Flush toilet (with septic tank)</li> <li>- Chemical toilet</li> <li>- Pit latrine with ventilation</li> <li>- Pit latrine without ventilation</li> <li>- Bucket latrine</li> <li>- No toilet provision</li> </ul> <p>Note: if other types of services are available, please provide details</p> <p>3 Anticipated expansion of sewerage:</p> <ul style="list-style-type: none"> <li>- Flush/chemical toilet</li> <li>- Pit latrine</li> <li>- Bucket latrine</li> <li>- No toilet provision</li> </ul>	<p></p> <p>R5,000,000</p> <p>R1,100,000</p> <p>R55,000</p> <p>R3,500,000</p> <p>R80,000</p> <p>R0,00</p> <p></p> <p></p> <p>6746</p> <p>480</p> <p>0</p> <p>1684</p> <p>0</p> <p>0</p> <p>0</p> <p></p> <p>681</p> <p>0</p> <p>0</p> <p>0</p>	<p>R 3,500,000</p> <p>R5,000,000</p> <p>R1,100,000</p> <p>R55,000</p> <p>R3,500,000</p> <p>R80,000</p> <p>R0,00</p> <p></p> <p>24,324,200</p> <p>R2,700</p> <p>R4,500</p> <p>R0,00</p> <p>R3,500</p> <p>0</p> <p>0</p> <p>0</p> <p></p> <p>R3,300</p> <p>R0,00</p> <p>R0,00</p> <p>R0,00</p>

	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
4	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household)	8710 350,00	
<b>Reporting Level</b>	<b>Detail</b>	<b>3,048,500</b>	<b>350.00</b>
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
5	Total operating cost of sewerage function		5,670,789,00

1. Road maintenance's function's performance

<b>Function:</b>	<b>Road Transport</b>
<b>Sub Function:</b>	<b>Roads</b>

Reporting Level	Detail	Total	Cost
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		
Description of the Activity:	<p>The road maintenance and construction responsibilities of the municipality are administered as follows and include:</p> <p><i>The municipality is responsible for its road network, in accordance to road classification. The municipality has the role of ensuring that all the access roads within the jurisdiction of the municipality are properly maintained. Currently the municipality has the total distance of 142 km of roads network.</i></p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which resides within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p><i>The mandate of the municipality as its core function. Is to maintain and upgrade the municipal roads.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provide accessible roads to all the communities.</i></p> <p>The key issues for 2010/11 are:</p> <ul style="list-style-type: none"> <li><i>Insufficient allocation for capital projects</i></li> <li><i>Low revenue base for the municipality</i></li> <li><i>Over reliance on the government grants for capital projects</i></li> </ul>		
Analysis of the Function:			

1	Number and cost to employer of all personnel associated with road maintenance and construction:		R (2,675,000)
	- Professional (Engineers/Consultants)	R2,500,000	2,500,000
	- Field (Supervisors/Foremen)	R120,000	120,000
	- Office (Clerical/Administration)	R40,000	40,000
	- Non-professional (blue collar, outside workforce)	R15,000	15,000
	- Temporary	R0,00	0,00
	- Contract	R0,00	0,00
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
2	Total number, kilometres and total value of road projects planned and current:		R169,478,896
	- New bitumenised (number)	21	R13,900,000
	- Existing re-tarred (number)	20	R10,000,000
	- New gravel (number)	101	R145,578,896
	- Existing re-sheeted (number)	0	0
	Note: if other types of road projects, please provide details		
3	Total kilometres and maintenance cost associated with existing roads provided		R159,478,896
	- Tar	20	R13,900,000
	- Gravel	101	R145,578,896
	Note: if other types of road provided, please provide details		
4	Average frequency and cost of re-tarring, re-sheeting roads		
	- Tar	0	0
	- Gravel		
	Note: based on maintenance records		
5	Estimated backlog in number of roads, showing kilometres and capital cost		
	- Tar		
	- Gravel		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
	Note: total number should appear in IDP, and cost in future budgeted road construction programme		
6	Type and number of grants and subsidies received:		R9,928,000
	<i>Municipal Infrastructure Grant (MIG)</i>	9,928,000	9,928,000
	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
7	Total operating cost of road construction and maintenance function		R3,578.200

## 2. Water distribution function's performance

<b>Function:</b>	<b>Water</b>
<b>Sub Function:</b>	<b>Water Distribution</b>

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of water		

Description of the Activity:	<p>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>Gariep local Municipality is acting as the WSP on behalf of the District Municipality which is the WSA. The municipality is responsible for network and the district takes charge of the bulk infrastructure.</i></p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which sits within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p><i>Mandate for the maintenance of the existing network in terms of sewer and house connection.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provision of Portable water by 2014.</i></p> <p>The key issues for 2010/11 are:</p> <ul style="list-style-type: none"><li>• <i>Capacity of Sources</i></li><li>• <i>Old and dilapidated infrastructure</i></li><li>• <i>Water meters</i></li><li>• <i>Technical Personnel.</i></li></ul>																																																			
1	<p><i>The information as per the district master plan.</i></p> <p>Number and cost to employer of all personnel associated with the water distribution function:</p> <ul style="list-style-type: none"><li>- Professional (Engineers/Consultants)</li><li>- Field (Supervisors/Foremen)</li><li>- Office (Clerical/Administration)</li><li>- Non-professional (blue collar, outside workforce)</li><li>- Temporary</li><li>- Contract</li></ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p>	<p><i>R 3,500,000</i></p> <p><i>R5,000,000</i></p> <p><i>R1,100,000</i></p> <p><i>R55,000</i></p> <p><i>R3,500,000</i></p> <p><i>R80,000</i></p> <p><i>R0,00</i></p>	<p><i>R 3,500,000</i></p> <p><i>R5,000,000</i></p> <p><i>R1,100,000</i></p> <p><i>R55,000</i></p> <p><i>R3,500,000</i></p> <p><i>R80,000</i></p> <p><i>R0,00</i></p>																																																	
2	<table><tr><th>Area</th><th>Stats SA</th><th>Est Population</th><th>Demand</th><th>Ave KL/day</th><th>25% loss</th><th>Large Users</th></tr><tr><td>B/dorp</td><td>727</td><td>2968</td><td>200</td><td>593</td><td>742</td><td>300</td></tr><tr><td>Eur</td><td>434</td><td>2046</td><td>130</td><td>265</td><td>333</td><td>0</td></tr><tr><td>Mza</td><td>913</td><td>3955</td><td>130</td><td>514</td><td>643</td><td>0</td></tr><tr><td>Thembisa</td><td>643</td><td>2397</td><td>130</td><td>311</td><td>390</td><td>0</td></tr><tr><td>TOTAL</td><td>2717</td><td>11366</td><td></td><td>1683</td><td>2108</td><td>300</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> <p>Note: this will therefore highlight percentage of total water stock used per month</p>	Area	Stats SA	Est Population	Demand	Ave KL/day	25% loss	Large Users	B/dorp	727	2968	200	593	742	300	Eur	434	2046	130	265	333	0	Mza	913	3955	130	514	643	0	Thembisa	643	2397	130	311	390	0	TOTAL	2717	11366		1683	2108	300								<p>1683KL/day</p>	<p>1683KL/day</p>
Area	Stats SA	Est Population	Demand	Ave KL/day	25% loss	Large Users																																														
B/dorp	727	2968	200	593	742	300																																														
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Thembisa	643	2397	130	311	390	0																																														
TOTAL	2717	11366		1683	2108	300																																														
3	<p>Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer</p> <ul style="list-style-type: none"><li>- Category 1 Consumption</li><li>- Category 2 Consumption</li><li>- Category 3 Consumption</li></ul>	<p><i>0 – 6kl</i></p> <p><i>7 – 20kl</i></p> <p><i>21 – 50kl</i></p>	<p><i>R (18.13)</i></p> <p><i>R0.00</i></p> <p><i>R5.49</i></p> <p><i>R6.05</i></p>																																																	



		- Category 4 Consumption	50+ kl	R6.59
4	Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:			(1,605,050)
	- Category 1 Burgersdorp Town 500	593		296,500
	- Category 2 Eureka- 480	265		127,200
	- Category 3 Mzamomhle -1300	514		668,200
	- Category 4 Thembisa - 1650	311		513,150
5	Total year-to-date water losses in kilolitres and rand			(10877.28)
	The water losses are taking place mostly in the area of Burgersdorp.	2108kl		R10877.28
<b>Reporting Level</b>		<b>Detail</b>	<b>Total</b>	<b>Cost</b>
6	Number of households with water service, and type and cost of service:			R (7,050)
	- Piped water inside dwelling	8910		R2700
	- Piped water inside yard	8910		R2850
	- Piped water on community stand: distance < 200m from dwelling	0		0
	- Piped water on community stand: distance > 200m from dwelling	0		0
	- Borehole	23		R1500
	- Spring	0		0
	- Rain-water tank	0		0
	Note: if other types of services are available, please provide details			
7	Number and cost of new connections:			R (000)
	Currently there are no new connections in the area as all households are being serviced with stand pipes inside the dwelling.	0		R0.00
8	Number and cost of disconnections and reconnections:			R (000s)
	None.	0		R0.00
9	Number and total value of water projects planned and current:			R (000s)
	- Current (financial year after year reported on)	1		R27,000,000
	- Planned (future years)	0		
	Note: provide total project and project value as per initial or revised budget			
10	Anticipated expansion of water service:			R 3,500
	- Piped water inside dwelling	900		R3,500
	- Piped water inside yard	0		R0.00
	- Piped water on community stand: distance < 200m from dwelling	0		R0.00
	- Piped water on community stand: distance > 200m from dwelling	0		R0.00
	- Borehole	0		R0.00
	- Spring	0		R0.00
	- Rain-water tank	0		R0.00
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality			
11	Estimated backlog in number (and cost to provide) water connection:			R (000s)
	- Piped water inside dwelling	0		R0.00
	- Piped water inside yard	0		R0.00
	- Piped water on community stand: distance < 200m from dwelling	0		R0.00
	- Piped water on community stand: distance > 200m from dwelling	0		R0.00
	- Borehole	0		R0.00
	- Spring	0		R0.00
	- Rain-water tank	0		R0.00
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes			
12	Free Basic Service Provision:			
	- Quantity (number of households affected)	6110		
	- Quantum (value to each household)	R850.00		

	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
13	Type and number of grants and subsidies received: <i>The grants for water provision are transferred to the District municipality as the water service authority.</i>	0	R (000s) R0,00
	Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
14	Total operating cost of water distribution function		4,762,758

### 3. Electricity distribution function's performance

<b>Function:</b>	<b>Electricity</b>
<b>Sub Function:</b>	<b>Electricity Distribution</b>

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of electricity		
Description of the Activity:	<p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>The area of Gariep is divided into two sections. There are households that are being supplied by Eskom and others by Gariep Local Municipality. The main reason for this strategy was the issue of capacity by then. The municipality was unable to provide all households with electricity and they decided to seed the rights to Eskom as the supplier for other sections of Gariep. Out of 8910 households that we have in Gariep, the total of 3591 households is being supplied by Eskom.</i></p> <p><i>This is major problem for the municipality because we are unable to collect enough revenue. All the households that are being supplied by Eskom are using the pre-paid meters. On the side of the municipality there is a mixture of pre-paid and conversional meters.</i></p> <p>These services extend to include &lt;function/area&gt;, but do not take account of &lt;function/area&gt; which resides within the jurisdiction of &lt;national/provincial/other private sector&gt; government. The municipality has a mandate to:</p> <p><i>Provide electricity in the areas that are licensed for the municipality.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provide access to all households in Gariep.</i></p> <p>The key issues for 2010/11 are:</p> <ul style="list-style-type: none"> <li><i>Poor network</i></li> <li><i>Old and dilapidated infrastructure</i></li> <li><i>Insufficient allocation or revenue.</i></li> </ul>		

Analysis of the Function:			
	1	Number and cost to employer of all personnel associated with the electricity distribution function: - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.	R 250,000
		1	R250,000
		0	R0,00
		0	R0,00
		0	R0,00
		0	R0,00
		0	R0,00
	2	Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer	R (9,700)
		- Residential	8900 R2,500
		- Commercial	0 R0,00
		- Industrial	6 R3,500
		- Mining	0 R0,00
		- Agriculture	4 R3,700
		- Other	0 R0,00
	3	Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:	R (000s)
		- Household	8900 R2,500
		- Commercial	0 R0,00
		- Industrial	6 R3,500
		- Mining	0 R0,00
		- Agriculture	4 R3,700
		- Other	0 R0,00
	4	Total year-to-date electricity losses in kilowatt hours and rand	4,400,000
		<i>The total losses for the current years is around R4,400,000.00</i>	4632KW R950
	5	Number of households with electricity access, and type and cost of service:	
	<b>Reporting Level</b>	<b>Detail</b>	<b>Total Cost</b>
		- Electrified areas	
		- Municipal	3591 R12,700
		- Eskom	5319 R12,700
		- Alternate energy source	
		- Gas	0 R0,00
		- Paraffin	0 R0,00
		- Solar	0 R0,00
		- Wood	0 R0,00
		- Non electrified	0 R0,00
		Note: if other types of services are available, please provide details	
	6	Number and cost of new connections:	R8,784,900
		<i>There are a planned number of 681 units that are on the pipeline.</i>	681 R12,900
	7	Number and cost of disconnections and reconnections	R0,00
		<i>None</i>	0 R0,00
	8	Number and total value of electrification projects planned and current:	R8,784,900
		- Current (financial year after year reported on)	0 R0,00
		- Planned (future years)	681 R12,900

	Note: provide total project and project value as per initial or revised budget		
9	Anticipated expansion of electricity service: The existing network has been upgraded partly in the area of Burgersdorp. We need more funding as the municipality to upgrade the network of other units. Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality	0	R0,00 R0,00
10	Estimated backlog in number (and cost to provide) water connection: <i>None</i> Note: total number should appear in IDP, and cost in future budgeted capital housing programmes	0	R0,00 R0,00
11	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.	6570 R12,700	
12	Type and number of grants and subsidies received: <i>There was an allocation of R8 million that has been transferred to the municipality.</i> Note: total value of specific electricity grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.	1	R8,000,000 R8,000,000
13	Total operating cost of electricity distribution function		R7,458,906

## B: ANNEXURE

The annexure is made up of the following documents arranged in the sequence below:

1. Full AG reports;
2. Plan of action of the municipality to address findings of the AG report;
3. Audit committee report
4. Approved Municipal Structure (Staff establishment);
5. Council resolutions adopting the Annual Report